

**State:** Pennsylvania  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.003 Other  
**Product Name:** Long Term Care  
**Project Name/Number:** CGI 440 LTC RATE INCREASE FILING, 2017/

## Filing at a Glance

Company: Continental General Insurance Company  
Product Name: Long Term Care  
State: Pennsylvania  
TOI: LTC03I Individual Long Term Care  
Sub-TOI: LTC03I.003 Other  
Filing Type: Rate - Other (Not M.U. or G.I. Product)  
Date Submitted: 01/23/2018  
SERFF Tr Num: GLTC-131216195  
SERFF Status: Assigned  
State Tr Num: GLTC-131216195  
State Status: Received Review in Progress  
Co Tr Num: CGI 440 LTC RATE INCREASE FILING, 2017  
  
Implementation: On Approval  
Date Requested:  
Author(s): Deborah Keeler, Stephanie Entzminger, Beth Lovaas, Jane Cundiff, Cameron Zima, Eric Coldewey  
  
Reviewer(s): Jim Lavery (primary)  
Disposition Date:  
Disposition Status:  
Implementation Date:

### State Filing Description:

Proposed aggregate 227.8% increase on 45 PA policyholders of Continental General's individual LTC forms 440, 442, 443, 444, 445, 446, 448, 449, 450, 460, 461, 462, 463, 470, and 471.

**State:** Pennsylvania  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.003 Other  
**Product Name:** Long Term Care  
**Project Name/Number:** CGI 440 LTC RATE INCREASE FILING, 2017/

**Filing Company:** Continental General Insurance Company

## General Information

Project Name: CGI 440 LTC RATE INCREASE FILING, 2017  
Project Number:  
Requested Filing Mode: Review & Approval  
Explanation for Combination/Other:  
Submission Type: New Submission  
Overall Rate Impact: 227.8%

Status of Filing in Domicile:  
Date Approved in Domicile:  
Domicile Status Comments:  
Market Type: Individual  
Individual Market Type:  
Filing Status Changed: 01/24/2018  
State Status Changed: 01/24/2018  
Created By: Eric Coldewey  
Corresponding Filing Tracking Number:  
State TOI: LTC03I Individual Long Term Care

Filing Description:

Dear Sir or Madam:

Enclosed for your review, please find copies of an Actuarial Memorandum and rate sheets in support of the current proposed increases on the above-referenced Individual Long-Term Care Insurance products. Detailed information regarding the calculation of the current proposed rate increases is given within the enclosed Actuarial Memorandum.

The base rate increase applies to the base policy and all applicable benefit riders for which a premium is paid. In addition to a base rate increase, an increase is being requested on the Inflation Guard Rider percentage load. The rate increases will be effective on the first premium due date subsequent to state insurance department approval and in accordance with state policyholder notification requirements, with the additional condition that no policyholder will receive a rate increase sooner than one year after receiving a prior rate increase, if applicable.

This filing applies to inforce policies issued in this State prior to September 16, 2002. The above-referenced policy forms are Individual Long-Term Care Insurance products, which are no longer being sold.

Enclosed are any necessary certifications, transmittals and/or filing fees as may be required by your state. I hope that with this information, your approval of this filing will be forthcoming. If you have any questions or need additional information, please feel free to contact me.

Sincerely,

Deborah A. Keeler, ASA, MAAA  
Senior Associate Actuary  
Continental General Insurance Company  
11001 Lakeline Blvd, Suite 120  
Austin, Texas 78717

## Company and Contact

### Filing Contact Information

Stephanie Entzminger, Senior Actuarial Analyst I  
stephanie.entzminger@continental-ins.com

**State:** Pennsylvania    **Filing Company:** Continental General Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.003 Other  
**Product Name:** Long Term Care  
**Project Name/Number:** CGI 440 LTC RATE INCREASE FILING, 2017/

11001 Lakeline Blvd.    512-410-0854 [Phone]  
Suite 120    512-257-0218 [FAX]  
Austin, TX 78717

**Filing Company Information**

Continental General Insurance Company    CoCode: 71404    State of Domicile: Texas  
11001 Lakeline Blvd    Group Code: 84    Company Type: Life & Health  
Suite 120    Group Name:    State ID Number:  
Austin, TX 78717    FEIN Number: 47-0463747  
(866) 830-0607 ext. [Phone]

**Filing Fees**

Fee Required?    Yes  
Fee Amount:    \$100.00  
Retaliatory?    Yes  
Fee Explanation:    Texas rate filing fee is \$100.00.  
Per Company:    Yes

Company	Amount	Date Processed	Transaction #
Continental General Insurance Company	\$100.00	01/23/2018	133965896

<b>SERFF Tracking #:</b>	GLTC-131216195	<b>State Tracking #:</b>	GLTC-131216195	<b>Company Tracking #:</b>	CGI 440 LTC RATE INCREASE FILING, 2017
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<b>State:</b>	Pennsylvania	<b>Filing Company:</b>	Continental General Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.003 Other		
<b>Product Name:</b>	Long Term Care		
<b>Project Name/Number:</b>	CGI 440 LTC RATE INCREASE FILING, 2017/		

## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	SERFF
<b>Rate Change Type:</b>	Increase
<b>Overall Percentage of Last Rate Revision:</b>	20.000%
<b>Effective Date of Last Rate Revision:</b>	05/09/2015
<b>Filing Method of Last Filing:</b>	SERFF
<b>SERFF Tracking Number of Last Filing:</b>	

## Company Rate Information

<b>Company Name:</b>	<b>Overall % Indicated Change:</b>	<b>Overall % Rate Impact:</b>	<b>Written Premium Change for this Program:</b>	<b>Number of Policy Holders Affected for this Program:</b>	<b>Written Premium for this Program:</b>	<b>Maximum % Change (where req'd):</b>	<b>Minimum % Change (where req'd):</b>
Continental General Insurance Company	227.800%	227.800%	\$439,351	45	\$192,845	264.300%	95.600%

<b>State:</b>	Pennsylvania	<b>Filing Company:</b>	Continental General Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.003 Other		
<b>Product Name:</b>	Long Term Care		
<b>Project Name/Number:</b>	CGI 440 LTC RATE INCREASE FILING, 2017/		

## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		440 Rate Sheets - PA	440	Revised	Previous State Filing Number: GLTC-129745852 Percent Rate Change Request: 227.8	440 Rate Sheets - PA.pdf,

**Continental General Insurance Company**  
**Individual Long Term Care Insurance Policy Forms:**  
440, 442, 443, 444, 445, 446, 448, 449

The Company has revised the structure of its rate sheets to demonstrate the Inflation Guard Rider rates in dollars rather than factor loads. Rate sheets are provided for base and base with the Inflation Guard Rider. These rate sheets provide a better representation of the premiums being charged to policyholders with these benefits.

**CONTINENTAL GENERAL INSURANCE COMPANY**

P.O. Box 203098 • Austin, Texas 78720-3098 • (866) 830-0607

**Policy Form 440****Annual Premiums Per \$10 Daily Benefit**

Age	Two Year Benefit Period			Four Year Benefit Period			Unlimited Benefit Period		
	0 Day	30 Day	100 Day	0 Day	30 Day	100 Day	0 Day	30 Day	100 Day
Age	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination
45-49	78	71	60	107	96	78	127	118	100
50-54	81	74	63	110	100	81	130	121	103
55-59	114	103	89	156	141	114	192	177	152
60	181	163	134	234	212	177	284	266	234
61	188	167	141	241	219	188	304	281	244
62	199	177	148	252	230	192	315	293	252
63	212	188	152	270	244	206	337	315	273
64	230	203	163	284	259	215	359	333	284
65	263	234	188	337	308	259	418	389	340
66	293	259	206	366	333	277	460	426	366
67	315	281	226	404	366	304	507	471	404
68	348	311	252	444	404	340	552	514	447
69	378	337	270	489	444	369	617	574	489
70	411	366	301	536	489	407	677	630	540
71	460	407	330	592	540	447	744	692	589
72	503	447	362	659	599	500	822	762	652
73	549	489	400	737	670	556	918	855	737
74	603	536	440	815	741	617	1,010	940	811
75	674	599	485	907	826	684	1,121	1,045	893
76	744	663	540	1,014	922	762	1,248	1,159	992
77	829	737	599	1,126	1,025	851	1,389	1,293	1,110
78	911	811	663	1,248	1,137	943	1,532	1,425	1,226
79	1,000	889	726	1,362	1,240	1,036	1,680	1,563	1,347
80	1,088	967	788	1,478	1,344	1,130	1,829	1,699	1,470
81	1,177	1,045	851	1,592	1,447	1,222	1,977	1,836	1,592
82	1,266	1,121	914	1,708	1,552	1,315	2,126	1,974	1,715
83	1,354	1,199	978	1,822	1,655	1,407	2,273	2,110	1,836
84	1,443	1,277	1,041	1,936	1,758	1,499	2,421	2,247	1,959

**Premium Modal Factors**

Semi-Annual: 0.520 of Annual Rate  
Quarterly: 0.265 of Annual Rate

Monthly Direct: 0.090 of Annual Rate  
Monthly B.O.M.: 0.085 of Annual Rate

**CONTINENTAL GENERAL INSURANCE COMPANY**

P.O. Box 203098 • Austin, Texas 78720-3098 • (866) 830-0607

**Policy Form 440****Annual Premiums Per \$10 Daily Benefit  
Including Inflation Guard Rider**

Age	Two Year Benefit Period			Four Year Benefit Period			Unlimited Benefit Period		
	0 Day	30 Day	100 Day	0 Day	30 Day	100 Day	0 Day	30 Day	100 Day
Age	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination
45-49	128	117	99	176	158	128	209	194	164
50-54	132	120	102	179	161	132	211	197	167
55-59	183	165	142	249	226	183	307	284	243
60	286	257	212	369	335	280	449	421	369
61	296	262	221	378	344	296	478	441	384
62	313	279	232	395	361	301	495	461	395
63	331	294	237	421	381	322	525	492	427
64	359	316	254	443	404	336	559	520	443
65	407	362	291	522	477	401	648	603	528
66	455	401	319	567	516	429	713	660	567
67	485	432	348	622	563	468	781	725	622
68	535	480	388	683	622	524	851	792	689
69	579	515	413	748	679	565	945	878	748
70	629	560	461	820	748	623	1,036	964	826
71	694	615	498	894	815	675	1,124	1,044	889
72	750	666	539	982	893	745	1,225	1,136	971
73	812	724	592	1,091	992	823	1,359	1,265	1,091
74	880	783	642	1,190	1,081	902	1,475	1,372	1,184
75	977	869	703	1,315	1,197	992	1,625	1,515	1,294
76	1,072	954	778	1,460	1,327	1,098	1,797	1,669	1,429
77	1,186	1,054	857	1,611	1,466	1,217	1,986	1,849	1,587
78	1,293	1,152	941	1,772	1,615	1,340	2,175	2,024	1,741
79	1,409	1,254	1,024	1,920	1,749	1,460	2,369	2,203	1,900
80	1,524	1,354	1,103	2,069	1,881	1,582	2,560	2,378	2,058
81	1,636	1,452	1,183	2,212	2,011	1,699	2,749	2,552	2,212
82	1,747	1,547	1,261	2,356	2,142	1,814	2,934	2,724	2,366
83	1,856	1,642	1,340	2,496	2,267	1,928	3,113	2,890	2,515
84	1,963	1,736	1,416	2,633	2,391	2,039	3,293	3,056	2,665

**Premium Modal Factors**

Semi-Annual: 0.520 of Annual Rate  
Quarterly: 0.265 of Annual Rate

Monthly Direct: 0.090 of Annual Rate  
Monthly B.O.M.: 0.085 of Annual Rate

**CONTINENTAL GENERAL INSURANCE COMPANY**

P.O. Box 203098 • Austin, Texas 78720-3098 • (866) 830-0607

**Policy Form 440****Home Health Care Rider Per \$10 Daily Benefit, 5 Day Elimination Period**

Age	Base Plan			Base Plan With Inflation Guard Rider		
	2 Year	4 Year	Unlimited	2 Year	4 Year	Unlimited
	Maximum	Maximum	Maximum	Maximum	Maximum	Maximum
45-49	45	60	96	75	99	158
50-54	45	63	100	73	103	161
55-59	53	78	127	84	125	203
60	63	92	148	100	146	235
61	67	100	159	105	156	250
62	71	107	170	111	168	267
63	74	110	177	116	172	277
64	81	118	188	127	184	294
65	85	130	206	132	202	320
66	89	138	219	138	213	340
67	96	145	230	148	223	354
68	100	156	248	153	240	382
69	110	167	266	169	255	407
70	118	177	284	180	272	435
71	127	188	304	191	284	459
72	138	203	326	205	302	486
73	148	223	355	220	330	525
74	156	241	386	227	352	563
75	170	259	415	247	375	601
76	185	281	451	266	404	649
77	203	308	493	290	440	704
78	219	330	525	311	468	746
79	237	355	570	334	500	804
80	255	393	630	357	550	882
81	277	418	670	385	581	931
82	297	444	712	410	612	982
83	319	471	751	437	645	1,030
84	337	496	793	458	675	1,079

**Premium Modal Factors**

Semi-Annual:	0.520 of Annual Rate	Monthly Direct:	0.090 of Annual Rate
Quarterly:	0.265 of Annual Rate	Monthly B.O.M.:	0.085 of Annual Rate

**CONTINENTAL GENERAL INSURANCE COMPANY**

P.O. Box 203098 • Austin, Texas 78720-3098 • (866) 830-0607

**Policy Form 440****Annual Premiums Per \$10 Daily Benefit**

Age	Two Year Benefit Period			Four Year Benefit Period			Unlimited Benefit Period		
	0 Day	30 Day	100 Day	0 Day	30 Day	100 Day	0 Day	30 Day	100 Day
Age	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination
45-49	152	138	117	209	188	152	248	230	195
50-54	159	145	124	216	195	159	255	237	202
55-59	223	202	174	305	276	223	375	347	298
60	354	319	262	457	414	347	556	521	457
61	368	326	276	471	429	368	595	549	478
62	390	347	290	492	450	375	616	574	492
63	414	368	298	528	478	404	659	616	535
64	450	397	319	556	507	422	701	652	556
65	514	457	368	659	602	507	818	762	666
66	574	507	404	716	652	542	900	832	716
67	616	549	443	790	716	595	992	921	790
68	680	609	492	868	790	666	1,080	1,006	875
69	740	659	528	956	868	723	1,208	1,123	956
70	804	716	588	1,049	956	797	1,325	1,233	1,056
71	900	797	645	1,158	1,056	875	1,456	1,353	1,151
72	985	875	708	1,289	1,173	978	1,608	1,491	1,275
73	1,073	956	783	1,442	1,311	1,088	1,796	1,672	1,442
74	1,180	1,049	861	1,594	1,449	1,208	1,977	1,839	1,587
75	1,318	1,173	949	1,775	1,615	1,339	2,193	2,044	1,746
76	1,456	1,297	1,056	1,984	1,803	1,491	2,441	2,267	1,941
77	1,622	1,442	1,173	2,203	2,005	1,665	2,717	2,529	2,171
78	1,782	1,587	1,297	2,441	2,225	1,846	2,997	2,788	2,398
79	1,955	1,739	1,421	2,664	2,427	2,026	3,287	3,057	2,636
80	2,129	1,892	1,541	2,891	2,628	2,210	3,578	3,323	2,876
81	2,303	2,044	1,665	3,114	2,830	2,391	3,868	3,592	3,114
82	2,476	2,193	1,789	3,340	3,036	2,572	4,159	3,861	3,355
83	2,650	2,345	1,913	3,564	3,238	2,752	4,446	4,127	3,592
84	2,823	2,497	2,037	3,787	3,440	2,933	4,736	4,396	3,833

**Premium Modal Factors**

Semi-Annual: 0.520 of Annual Rate  
Quarterly: 0.265 of Annual Rate

Monthly Direct: 0.090 of Annual Rate  
Monthly B.O.M.: 0.085 of Annual Rate

**CONTINENTAL GENERAL INSURANCE COMPANY**

P.O. Box 203098 • Austin, Texas 78720-3098 • (866) 830-0607

**Policy Form 440****Annual Premiums Per \$10 Daily Benefit  
Including Inflation Guard Rider**

Age	Two Year Benefit Period			Four Year Benefit Period			Unlimited Benefit Period		
	0 Day	30 Day	100 Day	0 Day	30 Day	100 Day	0 Day	30 Day	100 Day
Age	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination	Elimination
45-49	468	424	359	642	577	468	762	707	599
50-54	475	432	369	643	580	475	759	706	601
55-59	650	588	507	887	805	650	1,094	1,011	867
60	1,009	908	746	1,302	1,181	989	1,585	1,484	1,302
61	1,038	918	778	1,327	1,208	1,038	1,677	1,547	1,347
62	1,098	978	817	1,387	1,267	1,058	1,736	1,617	1,387
63	1,154	1,026	830	1,470	1,332	1,125	1,835	1,717	1,490
64	1,253	1,105	889	1,549	1,411	1,174	1,954	1,815	1,549
65	1,414	1,258	1,013	1,814	1,658	1,395	2,253	2,097	1,834
66	1,580	1,395	1,112	1,970	1,795	1,492	2,477	2,292	1,970
67	1,678	1,494	1,206	2,150	1,947	1,620	2,699	2,507	2,150
68	1,851	1,658	1,339	2,362	2,150	1,812	2,940	2,738	2,381
69	1,991	1,772	1,420	2,573	2,334	1,944	3,249	3,020	2,573
70	2,163	1,925	1,582	2,820	2,573	2,144	3,563	3,316	2,839
71	2,363	2,093	1,694	3,042	2,772	2,298	3,823	3,553	3,023
72	2,523	2,242	1,814	3,304	3,004	2,505	4,121	3,821	3,267
73	2,716	2,420	1,981	3,648	3,316	2,752	4,544	4,231	3,648
74	2,910	2,586	2,124	3,932	3,574	2,979	4,875	4,535	3,914
75	3,208	2,855	2,310	4,321	3,933	3,260	5,339	4,976	4,252
76	3,498	3,115	2,537	4,766	4,332	3,583	5,864	5,447	4,664
77	3,847	3,418	2,781	5,224	4,754	3,947	6,442	5,997	5,148
78	4,168	3,712	3,034	5,709	5,203	4,317	7,010	6,521	5,609
79	4,511	4,013	3,278	6,146	5,598	4,675	7,584	7,053	6,081
80	4,844	4,304	3,506	6,577	5,980	5,029	8,140	7,560	6,545
81	5,165	4,585	3,735	6,985	6,350	5,364	8,678	8,058	6,985
82	5,476	4,849	3,956	7,387	6,714	5,687	9,197	8,539	7,419
83	5,775	5,111	4,170	7,767	7,057	5,999	9,690	8,995	7,829
84	6,064	5,364	4,375	8,133	7,387	6,299	10,172	9,442	8,232

**Premium Modal Factors**

Semi-Annual: 0.520 of Annual Rate  
Quarterly: 0.265 of Annual Rate

Monthly Direct: 0.090 of Annual Rate  
Monthly B.O.M.: 0.085 of Annual Rate

**CONTINENTAL GENERAL INSURANCE COMPANY**

P.O. Box 203098 • Austin, Texas 78720-3098 • (866) 830-0607

**Policy Form 440**

**Home Health Care Rider Per \$10 Daily Benefit, 5 Day Elimination Period**

Age	Base Plan			Base Plan With Inflation Guard Rider		
	2 Year	4 Year	Unlimited	2 Year	4 Year	Unlimited
	Maximum	Maximum	Maximum	Maximum	Maximum	Maximum
45-49	89	117	188	272	359	577
50-54	89	124	195	264	369	580
55-59	103	152	248	299	444	722
60	124	181	290	353	515	828
61	131	195	312	369	549	878
62	138	209	333	389	589	938
63	145	216	347	405	602	967
64	159	230	368	444	641	1,026
65	166	255	404	458	702	1,112
66	174	269	429	478	741	1,180
67	188	283	450	511	771	1,224
68	195	305	485	530	829	1,321
69	216	326	521	581	877	1,401
70	230	347	556	619	934	1,496
71	248	368	595	651	967	1,563
72	269	397	638	690	1,017	1,634
73	290	436	694	735	1,102	1,757
74	305	471	755	751	1,162	1,861
75	333	507	811	811	1,233	1,975
76	361	549	882	868	1,319	2,119
77	397	602	964	941	1,428	2,284
78	429	645	1,027	1,003	1,508	2,403
79	464	694	1,116	1,071	1,602	2,574
80	499	769	1,233	1,136	1,749	2,805
81	542	818	1,311	1,216	1,836	2,940
82	581	868	1,392	1,285	1,919	3,079
83	623	921	1,470	1,359	2,007	3,204
84	659	971	1,552	1,415	2,085	3,332

**Premium Modal Factors**

Semi-Annual:	0.520 of Annual Rate	Monthly Direct:	0.090 of Annual Rate
Quarterly:	0.265 of Annual Rate	Monthly B.O.M.:	0.085 of Annual Rate

Continental General Insurance Company  
Form NF-RPU  
**Nonforfeiture Benefit Rider**

**Policy Form 440**

<u>Issue Ages</u>	<u>Premium Percentages %</u>
45-54	20
55-59	18
60-64	16
65-69	15
70-74	14
75-79	13
80-84	12

<b>State:</b>	Pennsylvania	<b>Filing Company:</b>	Continental General Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.003 Other		
<b>Product Name:</b>	Long Term Care		
<b>Project Name/Number:</b>	CGI 440 LTC RATE INCREASE FILING, 2017/		

## Supporting Document Schedules

<b>Bypassed - Item:</b>	Transmittal Letter (A&H)
<b>Bypass Reason:</b>	We could not access the transmittal through the link provided. We can fill out and submit the transmittal upon further guidance as to where to obtain the transmittal.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Bypassed - Item:</b>	Actuarial Certification (A&H)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Actuarial Memorandum and Explanatory Information (A&H)
<b>Comments:</b>	
<b>Attachment(s):</b>	440 Actuarial Memorandum - PA.pdf 440 Exhibits - PA.pdf 440 Cover Letter - PA.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Bypassed - Item:</b>	Advertisements (A&H)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Bypassed - Item:</b>	Authorization to File (A&H)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Bypassed - Item:</b>	Insert Page Explanation (A&H)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	

<b>State:</b>	Pennsylvania	<b>Filing Company:</b>	Continental General Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.003 Other		
<b>Product Name:</b>	Long Term Care		
<b>Project Name/Number:</b>	CGI 440 LTC RATE INCREASE FILING, 2017/		

<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Rate Table (A&H)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Replacement Form with Highlighted Changes (A&H)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Reserve Calculation (A&H)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Variability Explanation (A&H)
<b>Bypass Reason:</b>	Not applicable.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

**CONTINENTAL GENERAL INSURANCE COMPANY**

**Home Office:**

P.O. Box 203098

Austin, Texas 78720-3098

**Actuarial Memorandum for Premium Rate Increases of:  
95.6% on Base Policy Forms and Riders, and  
218.8% on the Inflation Guard Rider (IGR) Percentage Load for**

**Continental General Insurance Company**

**Individual Long-Term Care Insurance Policy Forms:**

440, 442, 443, 444, 445, 446, 448, 449, 450, 460, 461, 462, 463, 470, 471

**NFO Riders:** NF-RPU(Q), NF-RPU(Q)(A), NF-RPU(Q), NFB, NBR, et al.

**Benefit Increase Riders:** GPO-E, GPO-R, et al.

**Inflation Guard Riders:** IG(Q)-1, IG(Q)-1(SC), IG(Q)-1(A), IG(Q)-1(449), IG(Q)-1(2),  
IG-R, et al.

**HHC Riders:** HC(Q), HC(Q)(A), et al.

**Miscellaneous Riders:** CC(Q), SPAR, TQA-R, et al.

**One-Time Return of Premium Riders:** PAR, PAR(A), et al.

**Perpetual Return of Premium Rider:** RP(LTC)10-1, et al.

**I. Purpose of Filing**

The purpose of this rate filing is to support and request a 95.6% rate increase on the Base Policy Forms and Riders for the above listed policy form series, and to support and request a 218.8% rate increase on the Inflation Guard Rider (IGR) percentage load. This filing may not be appropriate for other purposes.

Details on the methodology for calculating the unfunded gap in future liabilities and the resulting overall rate increase can be found in Section IV below.

Rate sheets are attached showing premium rates after the 95.6% Base premium rate increase and 218.8% IGR percentage load increases. Please note, rate sheets do not demonstrate percentage loads to add inflation protection, but instead have dollar amounts. Premium rates will be increased by an amount equivalent to the 95.6% Base premium rate increase and 218.8% IGR percentage load increase.

As shown in **Exhibit 3a** which has been included with this filing, the projected lifetime loss ratio for Base Policy Forms and Non-ROP Riders, assuming implementation of the rate increases justified Nationwide, is 91.4%.

**II. Policyholder Options to Mitigate Impact of Premium Rate Increases**

**Offers for Policyholders with Perpetual Return of Premium Riders: RP(LTC)10-1**

In order to mitigate the impact of the increases on policyholders with Return of Premium riders, the Company will implement a program in which the policyholder will have the choice to surrender their ROP benefit for value, while keeping their Base Policy and other non-ROP Riders in force. The offer will vary by the duration within the 10-year ROP "cycle" as follows:

- For policyholders in durations with a scheduled ROP benefit of 0%, the offer will be 100% of cumulative paid ROP Rider premium within the current 10-year ROP cycle, less the value of any policyholder benefits paid within the current 10-year ROP cycle.
- For policyholders in durations with a scheduled ROP benefit greater than 0% (except for duration 10), the offer will be the scheduled ROP benefit + 10%, less the value of any policyholder benefits paid within the current 10-year ROP cycle.
- For policyholders in duration 10, the offer will be the scheduled ROP benefit.

Under the predominant ROP payment schedule, the ROP offers assuming no policyholder benefits having been paid within the 10-year ROP duration “cycle” will be as follows:

	% of Cumulative ROP Rider Premium					% of Total Cumulative Premium				
Duration	1	2	3	4	5	6	7	8	9	10
Refund %	100%	100%	100%	100%	100%	25%	40%	55%	70%	80%

#### Optional Policyholder offers to Reduce Benefits

In addition, the Company will give policyholders Benefit Reduction Offers to help mitigate the impact to policyholders of the premium rate increase on the Base policy. The Benefit Reduction Offers will allow the policyholder to:

1. Lower their lifetime maximum benefit,
2. Lower their daily benefit,
3. Increase their elimination period.

#### Non-forfeiture Offers

In addition, the Company will give the policyholder the option to accept a shortened benefit period. Acceptance of this offer will provide the policyholder with a paid-up policy, with no future premiums required. Under this paid-up policy, the maximum benefit amount is equal to the greater of the sum of premiums paid less any benefits paid by a Return of Premium or Premium Accrual Benefit Rider or 30 times their daily benefit, and the daily benefit amount is equal to the policyholder’s current daily benefit amount. This non-forfeiture benefit shall not exceed the policyholder's remaining unused Maximum Lifetime Benefit at the time of conversion. Each day any benefits are received will count as one full day toward the completion of the shortened benefit period. This offer will be made to all policyholders.

### **III. Scope of Filing**

This filing applies to active premium-paying policies issued in this state for the policy forms listed above. These forms are no longer being marketed in any state and the Company is no longer selling any new Long-Term Care Insurance. **Exhibit 1** provides a distribution by state of the number of lives and associated annualized premium for active premium-paying lives as of 12/31/2016 under these policy forms. The annualized premium inforce Nationwide as of 12/31/2016 was 7,515,807. A breakdown of lives affected by this filing in this state is shown in **Appendix A**.

Please note that experience associated with the Return of Premium (ROP) Rider has been excluded from this filing.

#### IV. Premium Rate Increase Justification

A rate increase is necessary at this time because Company experience on its Long-Term Care Insurance business indicates that the premium rates for these policy forms are inadequate. Premium rate increases that help to remediate poorly performing blocks of business and limit any future losses are important to maintaining the Company's ability to meet policyholder obligations and pay future claims.

##### A. Rate Increase Formula: Gap Analysis

The current projected earned premium shortfall, or "Gap," is calculated as the present value of future claims and expenses less the present value of future premium and the active life reserve as of 12/31/2016. Please note that experience associated with lives that are currently in a paid-up status due to a non-forfeiture benefit has been excluded from the calculation of the Gap Analysis. The Nationwide justified premium rate increase is calculated as the rate increase necessary so that the projected gap is zero.

Formulaically, Gap Analysis can be described as calculating the rate increase that would satisfy the equation below on a strictly prospective basis:

$$PV \text{ Incurred Claims} + PV \text{ Expenses} = PV \text{ Earned Premium} + \text{Active Life Reserves}$$

##### B. Nationwide Justified Rate Increase

The Nationwide justified increase is the rate increase which would satisfy Gap Analysis given actual Nationwide experience. As demonstrated in the table below, a rate increase of 101.4% on the Base policy form and riders combined with a rate increase of 152.8% on the Inflation Guard Rider percentage load would result in a projected Gap of \$0.0M. Values in the table below are shown in millions of dollars.

	<i>Base Increase: 101.4%</i> <i>IGR Load Increase: 152.8%</i>	
	<b>Before Increase</b>	<b>After Increase</b>
Nationwide Active Life Reserve (ALR)	77.6	77.6
Present Value of Nationwide Projected Earned Premium	54.9	116.8
Present Value of Nationwide Projected Future Expenses	11.7	12.2
Present Value of Nationwide Projected Incurred Claims	178.6	182.2
Expected Earned Premium Shortfall (Gap)	57.8	0

The impact of the Nationwide justified rate increase is demonstrated in **Exhibit 3a** through **Exhibit 3c**. In **Exhibit 3a** through **Exhibit 3c**, the values in the "Projected Future Experience After Nationwide Justified Rate Increase" section reflect the expected increase in Earned Premium, Waived Premium, and Premium-based claims and expenses given implementation of the above premium rate increases on 6/1/2018. These cash flows also include the impact of shock lapse, benefit reductions, anti-selection, and non-forfeiture residual liability resulting from the rate increase. These assumptions are described in more detail in Section V below.

**C. Requested Rate Increase**

State-specific justified rate increases are calculated to achieve equity across states with respect to the total amount of rate increases that will have been implemented in each state. In order to calculate the rate increase needed for this state specifically, the following formula was used:

$$\frac{(1+\text{Nationwide Rate Increase Need})(1+\text{Nationwide Cumulative Rate Increase to Date})}{(1+\text{State-Specific Cumulative Rate Increase to Date})} - 1.$$

This formula was applied separately for the base policy rate increase need and the IGR Load rate increase need. Details of this calculation can be found in **Appendix A**.

**D. Minimum Loss Ratio Requirement**

Although the rate increases in this filing are not calculated to achieve a target loss ratio, this filing demonstrates that, even after implementation of the Nationwide justified rate increases, both the projected future loss ratio and the lifetime anticipated loss ratio for these forms are higher than the required minimum loss ratio and therefore benefits are reasonable in relation to premiums. The required minimum loss ratio for these policy forms is as follows:

Type of Coverage:	Long-Term Care Insurance
Renewal Clause:	Guaranteed Renewable
Required Minimum Loss Ratio:	60%

The current lifetime anticipated loss ratio is 110.3%; assuming the rate increases justified Nationwide are approved, the lifetime anticipated loss ratio will be 91.4%. These lifetime loss ratios are demonstrated in **Exhibit 3a**.

**V. Actuarial Assumptions**

The actuarial assumptions used to project the future premiums and claims are described in this section. **Appendix D** provides further details of the experience studies conducted that were used to develop the actuarial assumptions.

**A. Interest**

A 5.0% annual rate of interest has been assumed for accumulating historical experience and for discounting projected future experience to present values.

**B. Mortality**

The best estimate future mortality assumption is 100% of the Annuity 2000 Basic Table with mortality steepening factors applied, historical mortality improvement, and selection factors. Historical mortality improvement was assumed equal to 0.6% per year, with 2000 as the central year. The mortality assumption, including selection factors and historical mortality improvement, is based on industry expectations.

**C. Voluntary Lapse**

The voluntary lapse assumptions were developed from a policy persistency study conducted on the Company's experience on these forms and judgment. Lapse rates are combined with mortality rates to derive the total termination rate. In addition, benefit exhaustion rates were calculated and added to reflect policy termination when a person exhausts his benefit period. It

is assumed all remaining policies would terminate at attained age 120. The lapse assumptions represent the best estimate expectations of future experience and do not include any provisions for adverse experience. All policies in this form series are currently in durations 14+, for which the lapse rates shown below are applicable. Lapse rates vary by marital status, inflation versus non-inflation and ROP versus non-ROP. The table below shows the detailed applicable lapse assumptions.

Ultimate Lapse Rate				
	Married		Single	
Duration	Inflation	Non-Inflation	Inflation	Non-Inflation
14	0.29%	0.84%	1.52%	1.73%
15+	0.24%	0.70%	1.26%	1.44%

Additional multiplier to apply to Lapse Rates for Gender	
Gender	Multiplier
Female	85.0%
Male	135.0%

For policies with an active ROP rider, an additional shock lapse rate of 10% is assumed in addition to the above-noted lapsed rates at durations 11, 21, 31, etc.

#### **D. Morbidity Rates**

The morbidity assumptions are based on a combination of the Company's historical claim experience on these forms from 2009 through 6/30/2016, the Milliman *2014 Long-Term Care Guidelines (Guidelines)* and judgment. The *Guidelines* reflect over \$25 billion of insured data and the experience and judgment of Milliman actuaries. The claim cost assumptions reflect the Company's current best estimate of future morbidity. In setting the morbidity assumptions, the policy design, underwriting and claim adjudication practices have been taken into consideration. The baseline assumptions do not include any adverse selection resulting from the rate increase, loads for moderately adverse experience, or future morbidity improvement.

#### **E. Claim Reserves**

The incurred claims shown in the Nationwide historical experience include paid claims, DLR, ICOS, and IBNR.

#### **F. Expenses**

The projected future experience uses the following expense assumptions:

Premium Tax – 2.5% of Paid Premium

Maintenance Expense – \$155 per insured with 2.0% inflation per year

Claim Expense – 3.5% of Base Paid Claims

Commissions – 16.0% of Paid Premium at the Original Premium Rate Level for 440 Series;  
5.0% of Paid Premium at the Original Premium Rate Level for 460 Series

#### **G. Shock Lapse**

At the time the proposed premium rate increases become effective, the additional shock lapse is assumed to be 10.0% for lives without an active Inflation Guard Rider and 10.0% for lives with

an active Inflation Guard Rider. The shock lapse is in addition to the base lapse assumption for that projection period. The “shock lapse” effect of the rate increases is assumed to temporarily increase voluntary lapses in the year that the rate increases are implemented. The shock lapse is reflected in the projected future experience after the proposed rate increase in **Exhibit 3a** through **Exhibit 3c**.

#### **H. Benefit Reductions**

As described in Section II, the Company will give policyholders Benefit Reduction Offers to help mitigate the impact to policyholders of the premium rate increase. The impact of benefit reductions due to the proposed increases is assumed to be 2.0% for lives without an active Inflation Guard Rider and 3.1% for lives with an active Inflation Guard Rider. These percentages are reflected in the projected future experience after the proposed rate increase in **Exhibit 3a** through **Exhibit 3c**.

#### **I. Anti-Selection**

Policyholders in poor health tend to keep their current policies, while those in better health may be more likely to lapse. This results in anti-selection. This is modeled in our exhibit as a 1.6% morbidity load for lives without an active Inflation Guard Rider and a 1.6% morbidity load for lives with an active Inflation Guard Rider. These percentages are reflected in the projected future experience after the Nationwide rate increase in **Exhibit 3a** through **Exhibit 3c**.

#### **J. Non-forfeiture (NFO) Residual Liability**

The residual NFO liability captures the future claims expected to be incurred on policies which elect the non-forfeiture benefit. The impact of the ultimate residual NFO liability due to the proposed increases is assumed to be 0.8% for lives without an active Inflation Guard Rider and 0.8% for lives with an active Inflation Guard Rider. These percentages are reflected in the projected future experience after the proposed rate increase in **Exhibit 3a** through **Exhibit 3c**.

As stated above, it is known that policyholders in poor health tend to keep their current policies, while those in better health may be more likely to lapse or elect the NFO benefit. The residual NFO liability is expected to grade up over time as this selection effect wears off. Given the grading, the initial residual NFO liability is 20% of the ultimate rate, grading up to the ultimate rate over 10 years.

### **VI. Rate Increase History**

Prior approved rate increases for these policy forms in this state are summarized in **Appendix A**.

### **VII. Effective Date**

Policyholder notification of the rate increases will begin as soon as possible subject to state insurance department approval with the additional condition that no policyholder will receive the rate increases sooner than one year after receiving a previous rate increase.

### **VIII. Premium Profile**

The state-specific average total annualized premiums, per insured (including riders), before and after the requested premium rate increases are shown in **Appendix A**.

## **IX. Historical and Projected Future Experience**

**Exhibit 2a** through **Exhibit 2f** present historical experience since inception by “incurred year,” or “loss year,” for these policy forms and riders as of 12/31/2016. **Exhibit 2a** through **Exhibit 2c** contain Nationwide experience and **Exhibit 2d** through **Exhibit 2f** contain the experience for only those policies sold in this state.

Future experience has been projected for 2017 and every year thereafter, as presented in **Exhibit 3a** through **Exhibit 3f**. In these exhibits, please note that the paid claims have been discounted with interest from the claim payment date back to the incurred date of the claim.

The present values of earned premium and incurred claims, discounted at 5.0% after application of the Nationwide justified rate increase and resulting shock lapse, benefit reductions, anti-selection, and NFO residual liability, are summarized in **Exhibit 3a** through **Exhibit 3c**. **Exhibit 3d** through **Exhibit 3f** contain the historical and projected experience, both with and without the impact of the rate increase requested, for only those policies sold in this state.

The lifetime anticipated loss ratio is defined as the present value of the historical and projected future claims divided by the present value of the historical and projected future earned premiums. Please note, the historical and projected experience demonstrated in **Exhibit 3a** through **Exhibit 3f** does include lives that are currently in a paid-up status due to election of a non-forfeiture benefit.

## **X. Summary of Appendices**

Multiple Appendices have been included with this filing. They are detailed below.

**Appendix A** contains information that is specific to the state in which this filing is made, such as the average annual premium, the number of policyholders inforce, etc. Similar information for Nationwide is also contained in this Appendix.

**Appendix B** contains a summary of the benefits included under each policy form grouping.

**Appendix C** contains a summary of the demographic distributions for inforce policies issued Nationwide as of 12/31/2016.

**Appendix D** contains a detailed summary of the development of the projection assumptions.

**Appendix E** contains a comparison of the actual total termination rates to both the original pricing assumptions and current assumptions.

## **XI. Summary of Exhibits**

Multiple Exhibits have been included with this filing. They are detailed below.

**Exhibit 1** contains the breakdown of policy counts, annualized premium, and average premium for all inforce policies by state under these products. This is shown for all policies, policies with active inflation riders, and policies without active inflation riders.

**Exhibit 2a** contains the historical Nationwide experience for all policies issued under these products by calendar year and duration. The presented experience excludes the ROP rider.

**Exhibit 2b** contains the historical Nationwide experience for all policies without an inflation rider issued under these products by calendar year and duration. The presented experience excludes the ROP rider.

**Exhibit 2c** contains the historical Nationwide experience for all policies with an inflation rider issued under these products by calendar year and duration. The presented experience excludes the ROP rider.

**Exhibit 2d** contains the historical Pennsylvania experience for all policies issued under these products by calendar year and duration. The presented experience excludes the ROP rider.

**Exhibit 2e** contains the historical Pennsylvania experience for all policies without an inflation rider issued under these products by calendar year and duration. The presented experience excludes the ROP rider.

**Exhibit 2f** contains the historical Pennsylvania experience for all policies with an inflation rider issued under these products by calendar year and duration. The presented experience excludes the ROP rider.

**Exhibit 3a** contains historical and projected Nationwide experience for all policies issued under these products. The exhibit also includes the projected lifetime loss ratios both with and without the impact of the Nationwide justified rate increase for these policies. The presented experience excludes the ROP rider.

**Exhibit 3b** contains historical and projected Nationwide experience for all policies without an active inflation rider issued under these products. The exhibit also includes the projected lifetime loss ratios both with and without the impact of the Nationwide justified rate increase for these policies. The presented experience excludes the ROP rider.

**Exhibit 3c** contains historical and projected Nationwide experience for all policies with an active inflation rider issued under these products. The exhibit also includes the projected lifetime loss ratios both with and without the impact of the Nationwide justified rate increase for these policies. The presented experience excludes the ROP rider.

**Exhibit 3d** contains historical and projected Pennsylvania experience for all policies issued under these products. The exhibit also includes the projected lifetime loss ratios both with and without the impact of the Pennsylvania proposed rate increase for these policies. The presented experience excludes the ROP rider.

**Exhibit 3e** contains historical and projected Pennsylvania experience for all policies without an active inflation rider issued under these products. The exhibit also includes the projected lifetime loss ratios both with and without the impact of the Pennsylvania proposed rate increase for these policies. The presented experience excludes the ROP rider.

**Exhibit 3f** contains historical and projected Pennsylvania experience for all policies with an active inflation rider issued under these products. The exhibit also includes the projected lifetime loss ratios

both with and without the impact of the Pennsylvania proposed rate increase for these policies. The presented experience excludes the ROP rider.

## **XII. Actuarial Certification**

I hereby certify that, to the best of my knowledge and belief, the rate filing submitted herein is in compliance with all applicable laws and regulations of the state in which it is filed and that it complies with applicable Actuarial Standards of Practice, including Actuarial Standard of Practice Number 8. I further certify that the anticipated loss ratio submitted herein is expected to develop over the period for which the rates are computed to provide coverage and the benefits are reasonable in relation to the premiums charged.



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Deborah A. Keeler, ASA, MAAA  
Senior Associate Actuary  
Continental General Insurance Company  
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**Continental General Insurance Company**  
**Appendix A**  
**Policy Forms: 440 series et al.**  
**State-Specific Filing Information**

**Pennsylvania**

Requested Base Rate Increase: 95.6%

Requested IGR Load Increase: 218.8%

**1. Pennsylvania Lives Affected by Requested Rate Increase (Section III in Actuarial Memorandum)**

Total Pennsylvania lives affected by this filing:	45
Pennsylvania lives with an active Inflation Guard Rider affected by this filing:	40

**2. Calculation of Requested Rate Increase for Pennsylvania (Section IV in Actuarial Memorandum)**

Rate Increase Need for Base Policies and Riders

Required Nationwide Rate Increase for Base Policies and Riders:	101.4%
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Cumulative Pennsylvania Rate Increase to Date:	270.2%
Cumulative Nationwide Rate Increase to Date:	259.6%

Base Rate Increase Necessary for Pennsylvania:	95.6%
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Rate Increase Need for Inflation Guard Rider Percentage Load

Required Nationwide Rate Increase for the IGR Percentage Load:	152.8%
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Cumulative Pennsylvania Rate Increase to Date:	0.0%
Cumulative Nationwide Rate Increase to Date:	26.1%

IGR Percentage Load Increase Necessary for Pennsylvania:	218.8%
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**3. Pennsylvania Rate Increase History (Section VI in Actuarial Memorandum)**

Base Rate History

Form 440	45.0% in 2002, 41.0% in 2004, 14.1%** in 2009, 15.0% in 2011, 15.0% in 2012, 20.0% in 2015
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\*\*Please note, Pennsylvania approved a 15% rate increase in 2009. Pennsylvania requested that 2 policies be excluded from the prior rate increase. As a result, the average increase from the 2009 rate filing was equal to 14.1%. Due to an administrative oversight the company implemented the average increase instead of the amount approved by the state. Due to the relatively small size of the in force block in Pennsylvania and to limit policyholder confusion, the Company elected to forgo implementing a second increase in order to bring the total increase up to 15%.

**4. Premium Profile (Section VIII in Actuarial Memorandum)**

The average annual premium for these forms and associated riders, prior to the proposed rate increase, is:

Policies without an active Inflation Guard Rider:		Policies with an active Inflation Guard Rider:	
Pennsylvania	\$6,295	Pennsylvania	\$4,034
Nationwide	\$3,260	Nationwide	\$3,356

The average annual premium for this form and associated riders, after the proposed rate increase, is:

Policies without an active Inflation Guard Rider:		Policies with an active Inflation Guard Rider:	
Pennsylvania	\$12,612	Pennsylvania	\$14,266

**Continental General Insurance Company**  
**Appendix B**  
**Policy Forms: 440 Series et al.**  
**Description of Benefits**

**Product Series 440**

440	Qualified Facility Only Long-Term Care with Optional HHC Rider	Indemnity	Reimbursement	2, 4 years, Lifetime	0, 30, 100 days	1, 2, 3, 4, 5
442	Comprehensive Long-Term Care	Indemnity	Reimbursement	2, 4 years, Lifetime	0, 30, 100 days	2, 5, 6, 12
443	Qualified Comprehensive Long-Term Care	Indemnity	Reimbursement	\$ 50K, \$ 100K, \$ 250K, Unlimited	0, 30, 90 days	2, 3, 5
444	Qualified Facility Only Long-Term Care	Indemnity	None	\$ 50K, \$ 100K, \$ 250K, Unlimited	0, 30, 90 days	2, 3, 5
445	Facility Only Long-Term Care with Optional HHC Rider	Indemnity	Reimbursement	2, 4 years, Lifetime	0, 30, 100 days	2, 5, 7, 12
446	Qualified Facility Only Long-Term Care with Optional HHC Rider	Indemnity	Reimbursement	2, 4 years, Lifetime	0, 30, 100 days	2, 5, 7, 12
449	Qualified Comprehensive Long-Term Care	Indemnity	Reimbursement	\$ 100K, \$ 250K, Unlimited	0, 20, 90 days	1 -50% addl HHC, 2

**Product Series 460**

460	Comprehensive Long-Term Care	Reimbursement	Reimbursement	\$ 75K, \$150K, \$ 250K, \$ 500K, Unlimited	0, 30, 100, 180 days	2, 3, 4, 5, 8, 9, 10
461	Basic Long-Term Care	Reimbursement	Reimbursement	\$ 75K, \$150K, \$ 250K, \$ 500K, Unlimited	0, 30, 100, 180 days	2, 3, 4, 5, 8, 10, 11
462	Qualified Comprehensive Long-Term Care	Reimbursement	Reimbursement	\$ 75K, \$150K, \$ 250K, \$ 500K, Unlimited	0, 30, 100, 180 days	2, 3, 4, 5, 8, 9, 10
470	Non-Qualified Home Health Care Only	None	Reimbursement	\$ 75K, \$150K, \$ 250K, \$ 500K, Unlimited	0, 30, 100, 180 days	2, 3, 4, 5, 8, 11
471	Qualified Home Health Care Only	None	Reimbursement	\$ 75K, \$150K, \$ 250K, \$ 500K, Unlimited	0, 30, 100, 180 days	2, 3, 4, 5, 8, 11

**Riders:**

- 1 Home Health Care
- 2 Inflation guard
- 3 Return of Premium
- 4 Guaranteed Purchase Option
- 5 Non-Forfeiture Rider
- 6 Community Care
- 7 Home and Community Care
- 8 Spousal Access Rider
- 9 Survivorship Benefit Endorsement
- 10 Tax Qualified Amendment Rider
- 11 Survivorship Benefit Rider
- 12 Premium Accrual Rider

\* At issue, the insured chooses the daily benefit limit, the elimination period, and the maximum benefit period, as well as any optional riders.

**Continental General Insurance Company**  
**Appendix C**  
**Policy Forms: 440 Series et al.**  
**Distribution of Inforce Business as of 12/31/2016**  
**All Non-NFO Policies - Nationwide**

Issue Year	Count	% of Count	Premium	% of Premium
1996	1	0%	5,120	0%
1997	70	3%	218,092	3%
1998	654	28%	1,804,767	24%
1999	468	20%	1,341,548	18%
2000	416	18%	1,361,664	18%
2001	458	19%	1,697,045	23%
2002	283	12%	1,045,233	14%
2003	16	1%	43,097	1%
Grand Total	2,366	100%	7,516,567	100%

Issue Age	Count	% of Count	Premium	% of Premium
Less than 45	22	1%	53,504	1%
45 - 49	71	3%	152,605	2%
50 - 54	261	11%	578,178	8%
55 - 59	581	25%	1,347,350	18%
60 - 64	709	30%	2,073,046	28%
65 - 69	457	19%	1,821,606	24%
70 - 74	203	9%	1,082,265	14%
75 - 79	59	2%	381,095	5%
Over 79	3	0%	26,918	0%
Grand Total	2,366	100%	7,516,567	100%

Attained Age	Count	% of Count	Premium	% of Premium
Less than 50	-	0%	-	0%
50 - 54	4	0%	8,787	0%
55 - 59	11	0%	26,948	0%
60 - 64	55	2%	135,063	2%
65 - 69	177	7%	398,443	5%
70 - 74	446	19%	1,069,283	14%
75 - 79	751	32%	1,998,217	27%
80 - 84	567	24%	2,007,820	27%
85 - 89	235	10%	1,081,131	14%
Over 89	120	5%	790,874	11%
Grand Total	2,366	95%	7,516,567	89%

Gender	Count	% of Count	Premium	% of Premium
F	1,416	60%	4,264,285	57%
M	950	40%	3,252,282	43%
Grand Total	2,366	100%	7,516,567	100%

Inflation Options	Count	% of Count	Premium	% of Premium
None	1,026	43%	3,096,615	41%
GPO	71	3%	316,901	4%
Compound 5%	1,269	54%	4,103,051	55%
Grand Total	2,366	100%	7,516,567	100%

Elimination Period Days	Count	% of Count	Premium	% of Premium
0	408	17%	1,520,945	20%
20	14	1%	68,327	1%
30	519	22%	1,667,727	22%
90	516	22%	1,322,917	18%
100	664	28%	2,190,589	29%
180	245	10%	746,061	10%
365	-	0%	-	0%
Grand Total	2,366	100%	7,516,567	100%

Benefit Period	Count	% of Count	Premium	% of Premium
Less than 1 year	-	0%	-	0%
1 - 2 years	21	1%	42,392	1%
2 - 3 years	184	8%	419,385	6%
3 - 4 years	62	3%	209,661	3%
4 - 5 years	277	12%	815,800	11%
5 years - Lifetime	420	18%	1,385,991	18%
Lifetime	1,402	59%	4,643,338	62%
Grand Total	2,366	100%	7,516,567	100%

Marital Status	Count	% of Count	Premium	% of Premium
Married	1,842	78%	5,355,711	71%
Single	524	22%	2,160,856	29%
Grand Total	2,366	100%	7,516,567	100%

Tax Status	Count	% of Count	Premium	% of Premium
TQ	1,741	74%	5,069,531	67%
NTQ	625	26%	2,447,035	33%
Grand Total	2,366	100%	7,516,567	100%

**Continental General Insurance Company**  
**Appendix D**  
**Actuarial Assumption Development**

Appendix D contains a description of the experience studies conducted on the Company's actual experience.

**Termination Study**

A termination study was conducted on the Company's actual termination experience from 2002 to 6/30/2016 on forms issued by Continental General Insurance Company. The study measured total termination rates.

The mortality assumption, including selection factors and mortality improvement, is based on industry expectations. Assumed mortality is equal to 100% of the Annuity 2000 Basic Table with mortality steepening factors applied, historical mortality improvement, and selection factors.

The future expected voluntary lapse assumptions were developed based on the historical implied lapse experience and judgment. Historical implied lapses were determined by subtracting expected deaths, using the mortality assumptions discussed above, and actual benefit exhaustions from total terminations. The expected voluntary lapse rates vary by inflation option, spousal discount, gender, and policy duration.

Exhibit D-1 contains the comparison of implied lapse experience to the current lapse assumptions. The Exhibit shows total lives, actual total terminations and expected deaths. The voluntary lapse rates are shown as described above, as historical implied lapses and expected lapses.

**Morbidity Study**

A morbidity study was also conducted on the Company's actual experience from 2009 to 6/30/2016 on forms issued by Continental General Insurance Company. Actual claims were measured against the Milliman 2014 *Long Term Care Guidelines (Guidelines)*. Actual-to-expected fitting factors were developed based on the actual experience and judgment.

Actual incurred claims are based on paid claims and remaining claim reserves discounted (using an interest rate of 4.5% for this experience study) back to the claim incurred date. The claim reserves were discounted from valuation date to the claim incurred date using a 4.5% discount rate and excluding any waiver of premium load, LAE load and explicit margin. Actual claims include approximately \$14 million of IBNR as of June 30, 2016, which is allocated to incurred year as follows: approximately 64% to incurred year 2016, 23% to incurred year 2015, and 13% to incurred year 2014. Actual incurred claims are calculated by adding together the present value of paid claims and claim reserves. Actual average claim severity was calculated by dividing actual incurred claims by the count of claims. In this study, waiver of premium was excluded from both the actual claims and expected claims.

Expected claims were based on the *Guidelines* and include selection factors and actual-to-expected fitting factors. The actual-to-expected fitting factors varied by coverage type, benefit period, payment type, marital status, and form. No future morbidity improvement is assumed.

Exhibit D-2 contains the comparison of actual claim experience to the current assumptions.

**Continental General Insurance Company**  
**Appendix D**  
**Exhibit D-1**  
**Termination Study**

**Experience by Policy Duration**

Policy Duration	Total Lives	Total Terminations		Mortality Rate		Voluntary Lapse Rate	
		Count	Rate	Expected		Implied	Expected
1	1,975	476	24.1%	0.4%		23.7%	23.5%
2	3,842	796	20.7%	0.7%		20.0%	18.9%
3	5,291	680	12.9%	0.8%		12.1%	11.2%
4	6,980	653	9.4%	0.9%		8.5%	8.4%
5	9,830	631	6.4%	1.0%		5.4%	5.5%
6	11,977	676	5.6%	1.1%		4.5%	4.6%
7	15,170	738	4.9%	1.3%		3.5%	3.9%
8	16,198	709	4.4%	1.5%		2.9%	3.0%
9	15,970	648	4.1%	1.6%		2.4%	2.4%
10	15,424	760	4.9%	1.8%		3.1%	1.6%
11	14,549	613	4.2%	1.9%		2.2%	1.4%
12	13,768	479	3.5%	2.1%		1.3%	1.2%
13	13,086	529	4.0%	2.3%		1.7%	1.1%
14	12,099	475	3.9%	2.5%		1.3%	0.9%
15+	41,539	2,129	5.1%	3.5%		1.4%	0.7%
Total	197,697	10,992	5.6%	2.0%		3.5%	3.1%

Notes:

- 1) Experience from 2002 through 6/30/2016.
- 2) Expected Mortality Rate is 100% of the Annuity 2000 Basic Table with mortality steepening factors applied, historical mortality improvement, and selection factors.
- 3) Implied Voluntary Lapse Rate is the Total Termination Rate minus the Expected Mortality Rate minus the Actual Benefit Exhaust Rate.
- 4) Current Voluntary Lapse Rate is the current projection assumption.  
 Since these vary by inflation benefit option, spousal discount, and gender the rates shown above are composites.  
 The ultimate lapse rate begins in duration 15.
- 5) Includes only lifetime pay policies (excludes 5 pay and 10 pay).

**Continental General Insurance Company**  
**Appendix D**  
**Exhibit D-2**  
**Policy Forms: 440 Series et al.**  
**Claim Study**

**Experience by Policy Duration**

<b>Policy Duration</b>	<b>Total Lives</b>	<b>Actual Claim Count</b>	<b>Actual Incurred Claims</b>	<b>Expected Incurred Claims</b>	<b>Actual to Expected</b>
6	7	-	-	7,515.58	0%
7	274	7	314,056	390,992	80%
8	1,014	16	1,846,010	1,541,854	120%
9	1,796	24	1,535,511	2,644,705	58%
10	2,242	42	3,217,340	3,079,008	104%
11	2,940	58	4,316,021	3,979,947	108%
12	3,437	62	5,927,145	5,136,411	115%
13	3,329	82	6,430,400	5,404,704	119%
14	3,162	55	5,136,282	5,683,282	90%
15	2,710	64	5,959,046	5,388,192	111%
16	2,013	52	5,135,413	4,336,124	118%
17	1,413	40	4,876,847	3,429,199	142%
18	842	29	2,721,321	2,383,615	114%
19	135	4	600,246	431,624	139%
20+	1	0	2,198	13,509.36	16%
<b>Total</b>	<b>25,316</b>	<b>535</b>	<b>48,017,836</b>	<b>43,850,683</b>	<b>110%</b>

**Experience by Year**  
**440 Series**

<b>Calendar Year</b>	<b>Total Lives</b>	<b>Actual Claim Count</b>	<b>Actual Incurred Claims</b>	<b>Expected Incurred Claims</b>	<b>Actual to Expected</b>
2009	3,988	65	6,065,027	5,343,055	114%
2010	3,760	64	4,172,722	5,442,285	77%
2011	3,515	83	6,881,577	5,251,822	131%
2012	3,356	81	6,945,568	5,546,827	125%
2013	3,209	61	5,356,770	5,871,750	91%
2014	3,088	62	7,073,775	6,255,960	113%
2015	2,960	87	8,415,719	6,593,321	128%
2016	1,440	33	3,106,677	3,545,661	88%
<b>Total</b>	<b>25,316</b>	<b>535</b>	<b>48,017,836</b>	<b>43,850,683</b>	<b>110%</b>

**Notes:**

- 1) Experience from 2009 through 6/30/2016.
- 2) Paid claims represent the present value of paid claims discounted to the claim incurred date.
- 3) Reserve amounts represent the present value of the remaining claim reserve (including IBNR) discounted to the claim incurred date.
- 4) Severity is defined as incurred claims divided by the count of claims.
- 5) Expected Claims are based on the Milliman 2014 *Long-Term Care Guidelines* (including Product Factors).
- 6) Claim dollar amounts are discounted using a 4.50% interest rate (both actual and expected).
- 7) The expected incurred claims do include a credibility adjustment.  
Please note that claim experience related to this policy form grouping is considered 70.3% credible.

**Continental General Insurance Company**  
**Appendix E**  
**Policy Forms: 440 Series et al.**  
**Policy Persistency Comparison**

Policy Duration	<u>Actual Experience</u>		<u>Original Pricing Assumptions</u>	<u>Current Assumptions</u>		
	Total Lives	Total Terminations	Total Terminations	Lapse	Mortality	Total Terminations
1	1,568	25.9%	17.5%	23.3%	0.4%	23.6%
2	3,262	22.7%	14.5%	18.9%	0.7%	19.5%
3	3,945	13.8%	11.5%	11.2%	0.9%	12.0%
4	4,361	10.0%	9.3%	8.4%	0.9%	9.2%
5	5,360	7.0%	8.3%	5.5%	1.1%	6.5%
6	5,127	6.4%	8.4%	4.6%	1.2%	5.7%
7	4,803	6.0%	8.4%	3.9%	1.4%	5.2%
8	4,517	6.1%	8.5%	2.9%	1.5%	4.4%
9	4,232	4.7%	8.6%	2.4%	1.6%	3.9%
10	3,971	4.7%	8.7%	1.5%	1.7%	3.2%
11	3,681	4.0%	8.8%	1.3%	1.8%	3.1%
12	3,433	3.8%	8.9%	1.2%	2.0%	3.1%
13	3,223	4.1%	9.0%	1.0%	2.1%	3.1%
14	2,829	4.3%	9.1%	0.8%	2.3%	3.1%
15+	5,588	4.3%	9.4%	0.6%	2.7%	3.3%

Notes:

- 1) Experience is 2002 through 6/30/16.
- 2) The "Original Pricing Assumptions" are those assumptions provided in the original pricing Actuarial Memorandum.
- 3) The "Current Assumptions" are those used in the projection for the current rate filing.  
 Since Lapse Rates vary by inflation benefit option, spousal discount, and gender, the rates shown above are composed of:  
 The ultimate lapse rate starts in duration 15.  
 The mortality assumptions are 100% of the Annuity 2000 Basic Table with mortality steepening factors applied, historical mortality improvement, and selection factors.
- 4) The results shown above include only lifetime pay policies (excludes 5 pay and 10 pay).

**Continental General Insurance Company**  
**Exhibit 1**  
**Policy Forms: 440 Series et al.**  
**Nationwide Premium Paying Lives**  
**As of 12/31/16**

Issue State	Combined			Lives with Active Inflation			Lives without Active Inflation		
	Lives	Annualized Premium	Average Premium	Lives	Annualized Premium	Average Premium	Lives	Annualized Premium	Average Premium
AL	34	140,081	4,120	11	46,355	4,214	23	93,726	4,075
AZ	4	13,997	3,499	2	9,142	4,571	2	4,855	2,427
AR	16	41,354	2,585	3	12,497	4,166	13	28,857	2,220
CO	50	183,011	3,660	25	116,552	4,662	25	66,459	2,658
GA	37	97,578	2,637	11	30,012	2,728	26	67,566	2,599
ID	2	3,841	1,921	-	-	-	2	3,841	1,921
IL	114	450,245	3,950	47	207,267	4,410	67	242,978	3,627
IN	35	72,611	2,075	21	39,074	1,861	14	33,537	2,395
IA	357	999,822	2,801	268	756,027	2,821	89	243,795	2,739
KS	83	215,034	2,591	51	137,806	2,702	32	77,228	2,413
KY	95	268,346	2,825	16	54,311	3,394	79	214,035	2,709
LA	18	58,194	3,233	3	11,036	3,679	15	47,158	3,144
MI	18	117,177	6,510	7	53,217	7,602	11	63,960	5,815
MN	522	1,227,711	2,352	342	836,276	2,445	180	391,435	2,175
MS	65	317,856	4,890	2	15,441	7,721	63	302,414	4,800
MO	67	195,013	2,911	41	111,632	2,723	26	83,381	3,207
MT	13	37,989	2,922	5	18,639	3,728	8	19,350	2,419
NE	181	643,285	3,554	110	383,958	3,491	71	259,326	3,652
NV	5	15,552	3,110	5	15,552	3,110	-	-	-
NM	3	7,470	2,490	-	-	-	3	7,470	2,490
NC	57	129,881	2,279	16	38,774	2,423	41	91,106	2,222
OH	84	351,352	4,183	39	189,407	4,857	45	161,945	3,599
OK	43	127,837	2,973	14	36,188	2,585	29	91,649	3,160
PA	45	192,845	4,285	40	161,371	4,034	5	31,474	6,295
SC	23	79,896	3,474	4	20,429	5,107	19	59,466	3,130
SD	23	163,865	7,125	10	90,692	9,069	13	73,173	5,629
TN	124	553,861	4,467	30	174,569	5,819	94	379,292	4,035
TX	31	95,068	3,067	16	56,914	3,557	15	38,154	2,544
UT	1	1,737	1,737	1	1,737	1,737	-	-	-
VA	18	45,652	2,536	15	33,407	2,227	3	12,245	4,082
WV	17	75,404	4,436	2	13,212	6,606	15	62,193	4,146
WI	163	571,432	3,506	108	418,127	3,872	55	153,305	2,787
WY	6	20,813	3,469	4	13,430	3,358	2	7,383	3,691
Total	2,354	7,515,807	3,193	1,269	4,103,051	3,233	1,085	3,412,756	3,145

**Exhibit 2a**  
**Continental General Insurance Company**  
**Nationwide**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding ROP Rider**  
**Policies With and Without Active Inflation Guard Rider**

**Historical Experience by Loss Year**  
**As of 12/31/2016**

Year	Earned Premium	Incurred Claims	Loss Ratio
1997	42,468	0	0.0%
1998	1,433,082	218,801	15.3%
1999	3,213,700	269,230	8.4%
2000	4,622,248	907,491	19.6%
2001	6,883,391	1,662,303	24.1%
2002	8,627,119	2,012,238	23.3%
2003	8,879,166	4,593,793	51.7%
2004	9,147,885	4,635,701	50.7%
2005	9,679,023	3,213,392	33.2%
2006	9,609,495	4,844,750	50.4%
2007	9,317,368	4,168,951	44.7%
2008	8,713,090	4,760,053	54.6%
2009	8,400,758	7,837,900	93.3%
2010	7,764,047	4,779,090	61.6%
2011	8,331,465	7,165,219	86.0%
2012	8,242,942	8,273,971	100.4%
2013	7,975,682	6,478,155	81.2%
2014	7,693,958	8,613,556	112.0%
2015	7,001,770	9,100,523	130.0%
2016	7,295,688	8,399,408	115.1%
Total	142,874,345	91,934,525	64.3%

**Historical Experience by Duration**  
**As of 12/31/2016**

Duration	Earned Premium	Incurred Claims	Loss Ratio
1	9,521,945	627,419	6.6%
2	9,904,219	1,375,057	13.9%
3	8,717,093	3,013,129	34.6%
4	8,848,532	4,388,553	49.6%
5	8,544,223	3,155,352	36.9%
6	8,918,333	4,137,302	46.4%
7	9,158,301	5,083,974	55.5%
8	9,102,989	4,622,919	50.8%
9	8,798,338	5,729,865	65.1%
10	8,524,399	5,685,642	66.7%
11	8,121,989	7,485,101	92.2%
12	8,169,991	6,680,761	81.8%
13	7,885,946	7,678,264	97.4%
14	7,801,383	5,644,059	72.3%
15	7,109,816	8,250,863	116.0%
16	5,666,008	6,628,303	117.0%
17	4,064,632	6,679,490	164.3%
18	2,805,081	3,921,445	139.8%
19	1,169,845	1,105,796	94.5%
20	41,285	41,230	99.9%
21	0	0	0.0%
Total	142,874,345	91,934,525	64.3%

**Present Values at 5%**

	Earned Premium	Incurred Claims	Loss Ratio
Nationwide			
Historical	225,791,533	129,137,514	57.2%

**Exhibit 2b**  
**Continental General Insurance Company**  
**Nationwide**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding ROP Rider**  
**Policies Without Active Inflation Guard Rider**

**Historical Experience by Loss Year**  
**As of 12/31/2016**

Year	Earned Premium	Incurred Claims	Loss Ratio
1997	25,218	0	0.0%
1998	804,734	204,680	25.4%
1999	1,664,144	251,934	15.1%
2000	2,431,592	643,777	26.5%
2001	4,176,083	939,901	22.5%
2002	5,487,191	1,569,389	28.6%
2003	5,581,210	3,447,248	61.8%
2004	5,746,207	3,739,645	65.1%
2005	5,941,316	2,588,599	43.6%
2006	5,768,277	3,714,939	64.4%
2007	5,517,120	3,272,398	59.3%
2008	4,976,355	3,536,141	71.1%
2009	4,844,196	4,626,163	95.5%
2010	4,484,750	3,249,290	72.5%
2011	4,581,720	5,447,531	118.9%
2012	4,418,315	5,230,458	118.4%
2013	4,142,586	2,532,551	61.1%
2014	3,850,144	3,684,922	95.7%
2015	3,157,100	3,740,039	118.5%
2016	3,366,267	4,496,793	133.6%
Total	80,964,526	56,916,398	70.3%

**Historical Experience by Duration**  
**As of 12/31/2016**

Duration	Earned Premium	Incurred Claims	Loss Ratio
1	6,074,941	613,298	10.1%
2	6,352,727	1,197,142	18.8%
3	5,409,237	2,714,496	50.2%
4	5,604,291	3,086,296	55.1%
5	5,394,864	2,280,777	42.3%
6	5,525,669	3,222,518	58.3%
7	5,615,732	4,197,244	74.7%
8	5,280,954	4,050,957	76.7%
9	5,023,911	4,148,395	82.6%
10	4,876,000	4,650,838	95.4%
11	4,590,475	5,134,919	111.9%
12	4,536,898	3,589,554	79.1%
13	4,269,732	4,153,231	97.3%
14	3,972,882	3,319,528	83.6%
15	3,394,031	4,195,642	123.6%
16	2,417,923	2,720,490	112.5%
17	1,391,953	1,972,649	141.7%
18	850,589	1,273,288	149.7%
19	363,943	366,827	100.8%
20	17,775	28,312	159.3%
21	0	0	0.0%
Total	80,964,526	56,916,398	70.3%

**Present Values at 5%**

	Earned Premium	Incurred Claims	Loss Ratio
Nationwide			
Historical	129,876,825	83,128,083	64.0%

**Exhibit 2c**  
**Continental General Insurance Company**  
**Nationwide**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding ROP Rider**  
**Policies With Active Inflation Guard Rider**

**Historical Experience by Loss Year**  
**As of 12/31/2016**

Year	Earned Premium	Incurred Claims	Loss Ratio
1997	17,250	0	0.0%
1998	628,347	14,121	2.2%
1999	1,549,556	17,297	1.1%
2000	2,190,657	263,714	12.0%
2001	2,707,308	722,402	26.7%
2002	3,139,928	442,849	14.1%
2003	3,297,957	1,146,544	34.8%
2004	3,401,677	896,056	26.3%
2005	3,737,707	624,794	16.7%
2006	3,841,218	1,129,810	29.4%
2007	3,800,247	896,553	23.6%
2008	3,736,736	1,223,911	32.8%
2009	3,556,562	3,211,737	90.3%
2010	3,279,297	1,529,800	46.7%
2011	3,749,745	1,717,688	45.8%
2012	3,824,627	3,043,513	79.6%
2013	3,833,095	3,945,605	102.9%
2014	3,843,813	4,928,634	128.2%
2015	3,844,671	5,360,484	139.4%
2016	3,929,420	3,902,615	99.3%
Total	61,909,819	35,018,127	56.6%

**Historical Experience by Duration**  
**As of 12/31/2016**

Duration	Earned Premium	Incurred Claims	Loss Ratio
1	3,447,003	14,121	0.4%
2	3,551,492	177,916	5.0%
3	3,307,855	298,633	9.0%
4	3,244,241	1,302,257	40.1%
5	3,149,359	874,576	27.8%
6	3,392,664	914,784	27.0%
7	3,542,569	886,729	25.0%
8	3,822,035	571,963	15.0%
9	3,774,427	1,581,471	41.9%
10	3,648,399	1,034,804	28.4%
11	3,531,514	2,350,182	66.5%
12	3,633,092	3,091,207	85.1%
13	3,616,214	3,525,034	97.5%
14	3,828,502	2,324,530	60.7%
15	3,715,785	4,055,221	109.1%
16	3,248,085	3,907,814	120.3%
17	2,672,679	4,706,841	176.1%
18	1,954,491	2,648,158	135.5%
19	805,902	738,969	91.7%
20	23,509	12,918	54.9%
21	0	0	0.0%
Total	61,909,819	35,018,127	56.6%

**Present Values at 5%**

	Earned Premium	Incurred Claims	Loss Ratio
Nationwide			
Historical	95,914,708	46,009,431	48.0%

**Exhibit 2d**  
**Continental General Insurance Company**  
**Pennsylvania**  
**Policy Forms: 440-Series et al.**  
**Base Policy and Riders excluding ROP Rider**  
**Policies With and Without Active Inflation Guard Rider**

**Historical Experience by Loss Year**  
**As of 12/31/2016**

Year	Earned Premium	Incurred Claims	Loss Ratio
1997	0	0	0.0%
1998	446	0	0.0%
1999	50,752	0	0.0%
2000	103,141	0	0.0%
2001	118,141	0	0.0%
2002	142,146	0	0.0%
2003	168,802	1,564	0.9%
2004	187,144	0	0.0%
2005	193,992	46,155	23.8%
2006	189,820	0	0.0%
2007	185,111	49,890	27.0%
2008	170,824	4,711	2.8%
2009	162,313	0	0.0%
2010	148,914	0	0.0%
2011	153,609	0	0.0%
2012	163,987	0	0.0%
2013	172,973	90,064	52.1%
2014	167,759	711,614	424.2%
2015	196,232	11,826	6.0%
2016	191,348	35,916	18.8%
Total	2,867,453	951,740	33.2%

**Historical Experience by Duration**  
**As of 12/31/2016**

Duration	Earned Premium	Incurred Claims	Loss Ratio
1	141,431	0	0.0%
2	153,301	0	0.0%
3	166,401	0	0.0%
4	160,002	0	0.0%
5	174,970	0	0.0%
6	196,305	1,564	0.8%
7	193,378	46,155	23.9%
8	187,660	0	0.0%
9	181,454	49,890	27.5%
10	166,672	4,711	2.8%
11	154,369	0	0.0%
12	144,363	0	0.0%
13	161,308	346	0.2%
14	174,130	4,732	2.7%
15	173,510	157,768	90.9%
16	152,559	659,450	432.3%
17	131,740	17,007	12.9%
18	53,900	10,117	18.8%
19	0	0	0.0%
20	0	0	0.0%
21	0	0	0.0%
Total	2,867,453	951,740	33.2%

**Present Values at 5%**

	Earned Premium	Incurred Claims	Loss Ratio
Pennsylvania			
Historical	4,416,869	1,130,642	25.6%

**Exhibit 2e**  
**Continental General Insurance Company**  
**Pennsylvania**  
**Policy Forms: 440-Series et al.**  
**Base Policy and Riders excluding ROP Rider**  
**Policies Without Active Inflation Guard Rider**

**Historical Experience by Loss Year**  
**As of 12/31/2016**

Year	Earned Premium	Incurred Claims	Loss Ratio
1997	0	0	0.0%
1998	300	0	0.0%
1999	17,633	0	0.0%
2000	28,426	0	0.0%
2001	30,817	0	0.0%
2002	34,334	0	0.0%
2003	44,735	1,564	3.5%
2004	44,608	0	0.0%
2005	38,580	46,155	119.6%
2006	34,442	0	0.0%
2007	31,378	0	0.0%
2008	22,248	0	0.0%
2009	21,803	0	0.0%
2010	20,347	0	0.0%
2011	23,650	0	0.0%
2012	25,635	0	0.0%
2013	26,995	0	0.0%
2014	25,263	0	0.0%
2015	39,028	2,352	6.0%
2016	30,961	5,811	18.8%
Total	541,184	55,883	10.3%

**Historical Experience by Duration**  
**As of 12/31/2016**

Duration	Earned Premium	Incurred Claims	Loss Ratio
1	40,612	0	0.0%
2	44,523	0	0.0%
3	50,077	0	0.0%
4	36,792	0	0.0%
5	33,477	0	0.0%
6	35,436	1,564	4.4%
7	35,891	46,155	128.6%
8	30,874	0	0.0%
9	28,742	0	0.0%
10	21,412	0	0.0%
11	23,155	0	0.0%
12	21,060	0	0.0%
13	27,669	303	1.1%
14	30,986	1,230	4.0%
15	23,095	1,091	4.7%
16	20,305	582	2.9%
17	23,637	2,434	10.3%
18	13,441	2,523	18.8%
19	0	0	0.0%
20	0	0	0.0%
21	0	0	0.0%
Total	541,184	55,883	10.3%

**Present Values at 5%**

	Earned Premium	Incurred Claims	Loss Ratio
Pennsylvania			
Historical	874,747	92,398	10.6%

**Exhibit 2f**  
**Continental General Insurance Company**  
**Pennsylvania**  
**Policy Forms: 440-Series et al.**  
**Base Policy and Riders excluding ROP Rider**  
**Policies With Active Inflation Guard Rider**

**Historical Experience by Loss Year**  
**As of 12/31/2016**

Year	Earned Premium	Incurred Claims	Loss Ratio
1997	0	0	0.0%
1998	146	0	0.0%
1999	33,119	0	0.0%
2000	74,715	0	0.0%
2001	87,324	0	0.0%
2002	107,812	0	0.0%
2003	124,066	0	0.0%
2004	142,536	0	0.0%
2005	155,412	0	0.0%
2006	155,377	0	0.0%
2007	153,733	49,890	32.5%
2008	148,577	4,711	3.2%
2009	140,510	0	0.0%
2010	128,566	0	0.0%
2011	129,959	0	0.0%
2012	138,352	0	0.0%
2013	145,977	90,064	61.7%
2014	142,496	711,614	499.4%
2015	157,204	9,474	6.0%
2016	160,387	30,105	18.8%
Total	2,326,269	895,857	38.5%

**Historical Experience by Duration**  
**As of 12/31/2016**

Duration	Earned Premium	Incurred Claims	Loss Ratio
1	100,819	0	0.0%
2	108,777	0	0.0%
3	116,324	0	0.0%
4	123,210	0	0.0%
5	141,494	0	0.0%
6	160,870	0	0.0%
7	157,487	0	0.0%
8	156,786	0	0.0%
9	152,711	49,890	32.7%
10	145,260	4,711	3.2%
11	131,214	0	0.0%
12	123,302	0	0.0%
13	133,640	43	0.0%
14	143,144	3,501	2.4%
15	150,414	156,677	104.2%
16	132,254	658,868	498.2%
17	108,103	14,574	13.5%
18	40,459	7,594	18.8%
19	0	0	0.0%
20	0	0	0.0%
21	0	0	0.0%
Total	2,326,269	895,857	38.5%

**Present Values at 5%**

	Earned Premium	Incurred Claims	Loss Ratio
Pennsylvania			
Historical	3,542,121	1,038,244	29.3%

**Exhibit 3a**  
**Continental General Insurance Company**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding PAR and ROP Riders**  
**Policies with and without Active Inflation Guard Rider**  
**Nationwide Experience Before and After Nationwide Rate Increase**  
**As of 12/31/2016**

Historical Experience			
Year	Earned Premium	Incurred Claims	Loss Ratio
1997	42,468	0	0.0%
1998	1,433,082	218,801	15.3%
1999	3,213,700	269,230	8.4%
2000	4,622,248	907,491	19.6%
2001	6,883,391	1,662,303	24.1%
2002	8,627,119	2,012,238	23.3%
2003	8,879,166	4,593,793	51.7%
2004	9,147,885	4,635,701	50.7%
2005	9,679,023	3,213,392	33.2%
2006	9,609,495	4,844,750	50.4%
2007	9,317,368	4,168,951	44.7%
2008	8,713,090	4,760,053	54.6%
2009	8,400,758	7,837,900	93.3%
2010	7,764,047	4,779,090	61.6%
2011	8,331,465	7,165,219	86.0%
2012	8,242,942	8,273,971	100.4%
2013	7,975,682	6,478,155	81.2%
2014	7,693,958	8,613,556	112.0%
2015	7,001,770	9,100,523	130.0%
2016	7,295,688	8,399,408	115.1%

Projected Future Experience Before Nationwide Rate Increase				Projected Future Experience After Nationwide Rate Increase			
Year	Earned Premium	Incurred Claims	Loss Ratio	Year	Earned Premium	Incurred Claims	Loss Ratio
2017	7,237,304	9,404,613	129.9%	2017	7,237,304	9,404,613	129.9%
2018	6,910,445	10,107,705	146.3%	2018	8,559,911	10,267,786	120.0%
2019	6,502,648	10,800,837	166.1%	2019	14,871,172	11,679,043	78.5%
2020	6,060,811	11,467,126	189.2%	2020	14,666,337	12,417,120	84.7%
2021	5,613,633	12,090,357	215.4%	2021	13,655,283	13,006,248	95.2%
2022	5,165,543	12,654,807	245.0%	2022	12,630,069	13,517,031	107.0%
2023	4,725,212	13,145,284	278.2%	2023	11,613,857	13,935,560	120.0%
2024	4,304,582	13,579,290	315.5%	2024	10,640,479	14,284,967	134.3%
2025	3,901,545	13,933,783	357.1%	2025	9,700,650	14,539,141	149.9%
2026	3,517,120	14,206,836	403.9%	2026	8,796,316	14,701,311	167.1%
2027	3,153,081	14,371,912	455.8%	2027	7,932,284	14,751,277	186.0%
2028	2,810,457	14,383,993	511.8%	2028	7,111,825	14,651,818	206.0%
2029	2,490,016	14,277,880	573.4%	2029	6,337,747	14,436,849	227.8%
2030	2,192,461	14,051,631	640.9%	2030	5,612,800	14,100,866	251.2%
2031	1,916,677	13,758,483	717.8%	2031	4,934,182	13,701,111	277.7%
2032	1,662,307	13,346,691	802.9%	2032	4,301,829	13,193,369	306.7%
2033	1,430,882	12,815,612	895.6%	2033	3,721,829	12,581,135	338.0%
2034	1,225,602	12,183,150	994.1%	2034	3,205,151	11,886,688	370.9%
2035	1,042,940	11,457,757	1098.6%	2035	2,742,125	11,115,855	405.4%
2036	881,153	10,652,469	1208.9%	2036	2,328,936	10,281,490	441.5%
2037	739,039	9,807,371	1327.0%	2037	1,963,339	9,420,423	479.8%
2038	615,314	8,940,115	1452.9%	2038	1,642,801	8,548,999	520.4%
2039	508,534	8,074,872	1587.9%	2039	1,364,261	7,689,112	563.6%
2040	417,213	7,210,440	1728.2%	2040	1,124,464	6,839,770	608.3%
2041	339,302	6,374,975	1878.9%	2041	918,246	6,024,899	656.1%
2042	273,535	5,570,390	2036.4%	2042	742,997	5,246,754	706.2%
2043	218,791	4,810,808	2198.8%	2043	596,332	4,517,453	757.5%
2044	174,292	4,118,308	2362.9%	2044	476,681	3,856,863	809.1%
2045	138,035	3,487,472	2526.5%	2045	378,708	3,258,237	860.4%
2046+	405,510	13,215,186	3258.9%	2046+	1,118,284	12,242,429	1094.8%

**Present Values at 5%**  
Before Nationwide Rate Increase

Nationwide	Earned Premium	Incurred Claims	Loss Ratio
Historical	225,791,533	129,137,514	57.2%
Projected Future	54,861,432	180,544,002	329.1%
Lifetime Anticipated	280,652,965	309,681,516	110.3%

**Present Values at 5%**  
After Nationwide Rate Increase

Nationwide	Earned Premium	Incurred Claims	Loss Ratio
Historical	225,791,533	129,137,514	57.2%
Projected Future	116,845,893	184,158,701	157.6%
Lifetime Anticipated	342,637,426	313,296,216	91.4%

**Exhibit 3b**  
**Continental General Insurance Company**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding PAR and ROP Riders**  
**Policies without Active Inflation Guard Rider**  
**Nationwide Experience Before and After Nationwide Rate Increase**  
**As of 12/31/2016**

Historical Experience			
Year	Earned Premium	Incurred Claims	Loss Ratio
1997	25,218	0	0.0%
1998	804,734	204,680	25.4%
1999	1,664,144	251,934	15.1%
2000	2,431,592	643,777	26.5%
2001	4,176,083	939,901	22.5%
2002	5,487,191	1,569,389	28.6%
2003	5,581,210	3,447,248	61.8%
2004	5,746,207	3,739,645	65.1%
2005	5,941,316	2,588,599	43.6%
2006	5,768,277	3,714,939	64.4%
2007	5,517,120	3,272,398	59.3%
2008	4,976,355	3,536,141	71.1%
2009	4,844,196	4,626,163	95.5%
2010	4,484,750	3,249,290	72.5%
2011	4,581,720	5,447,531	118.9%
2012	4,418,315	5,230,458	118.4%
2013	4,142,586	2,532,551	61.1%
2014	3,850,144	3,684,922	95.7%
2015	3,157,100	3,740,039	118.5%
2016	3,366,267	4,496,793	133.6%

Projected Future Experience Before Nationwide Rate Increase				Projected Future Experience After Nationwide Rate Increase			
Year	Earned Premium	Incurred Claims	Loss Ratio	Year	Earned Premium	Incurred Claims	Loss Ratio
2017	3,306,778	4,563,009	138.0%	2017	3,306,778	4,563,009	138.0%
2018	3,096,029	4,650,908	150.2%	2018	3,507,539	4,695,512	133.9%
2019	2,844,278	4,692,380	165.0%	2019	4,855,612	4,919,963	101.3%
2020	2,589,930	4,682,385	180.8%	2020	4,592,794	4,916,079	107.0%
2021	2,340,885	4,619,240	197.3%	2021	4,151,156	4,835,799	116.5%
2022	2,100,345	4,519,814	215.2%	2022	3,724,600	4,717,262	126.7%
2023	1,870,919	4,381,345	234.2%	2023	3,317,752	4,558,097	137.4%
2024	1,655,439	4,201,759	253.8%	2024	2,935,636	4,356,584	148.4%
2025	1,455,129	3,970,176	272.8%	2025	2,580,421	4,103,363	159.0%
2026	1,270,583	3,700,898	291.3%	2026	2,253,160	3,813,394	169.2%
2027	1,102,140	3,423,277	310.6%	2027	1,954,456	3,516,358	179.9%
2028	949,563	3,137,191	330.4%	2028	1,683,886	3,212,833	190.8%
2029	812,361	2,850,276	350.9%	2029	1,440,582	2,909,938	202.0%
2030	690,004	2,553,786	370.1%	2030	1,223,602	2,598,907	212.4%
2031	581,665	2,262,260	388.9%	2031	1,031,483	2,295,114	222.5%
2032	486,520	1,981,312	407.2%	2032	862,759	2,004,232	232.3%
2033	403,690	1,721,688	426.5%	2033	715,875	1,736,444	242.6%
2034	332,690	1,484,369	446.2%	2034	589,968	1,492,807	253.0%
2035	272,255	1,268,758	466.0%	2035	482,797	1,272,474	263.6%
2036	221,150	1,071,884	484.7%	2036	392,172	1,072,520	273.5%
2037	178,316	895,225	502.0%	2037	316,212	893,860	282.7%
2038	142,744	741,504	519.5%	2038	253,131	738,747	291.8%
2039	113,477	608,355	536.1%	2039	201,231	604,798	300.5%
2040	89,616	496,630	554.2%	2040	158,918	492,607	310.0%
2041	70,294	402,031	571.9%	2041	124,655	397,925	319.2%
2042	54,774	322,591	588.9%	2042	97,133	318,637	328.0%
2043	42,402	254,676	600.6%	2043	75,192	251,141	334.0%
2044	32,755	199,390	608.7%	2044	58,086	196,342	338.0%
2045	25,239	155,101	614.5%	2045	44,758	152,514	340.8%
2046+	70,359	446,519	634.6%	2046+	124,769	437,202	350.4%

**Present Values at 5%**  
Before Nationwide Rate Increase

Nationwide	Earned Premium	Incurred Claims	Loss Ratio
Historical	129,876,825	83,128,083	64.0%
Projected Future	21,857,991	47,614,434	217.8%
Lifetime Anticipated	151,734,815	130,742,518	86.2%

**Present Values at 5%**  
After Nationwide Rate Increase

Nationwide	Earned Premium	Incurred Claims	Loss Ratio
Historical	129,876,825	83,128,083	64.0%
Projected Future	34,256,363	48,956,694	142.9%
Lifetime Anticipated	164,133,187	132,084,777	80.5%

**Exhibit 3c**  
**Continental General Insurance Company**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding PAR and ROP Riders**  
**Policies with Active Inflation Guard Rider**  
**Nationwide Experience Before and After Nationwide Rate Increase**  
**As of 12/31/2016**

Historical Experience			
Year	Earned Premium	Incurred Claims	Loss Ratio
1997	17,250	0	0.0%
1998	628,347	14,121	2.2%
1999	1,549,556	17,297	1.1%
2000	2,190,657	263,714	12.0%
2001	2,707,308	722,402	26.7%
2002	3,139,928	442,849	14.1%
2003	3,297,957	1,146,544	34.8%
2004	3,401,677	896,056	26.3%
2005	3,737,707	624,794	16.7%
2006	3,841,218	1,129,810	29.4%
2007	3,800,247	896,553	23.6%
2008	3,736,736	1,223,911	32.8%
2009	3,556,562	3,211,737	90.3%
2010	3,279,297	1,529,800	46.7%
2011	3,749,745	1,717,688	45.8%
2012	3,824,627	3,043,513	79.6%
2013	3,833,095	3,945,605	102.9%
2014	3,843,813	4,928,634	128.2%
2015	3,844,671	5,360,484	139.4%
2016	3,929,420	3,902,615	99.3%

Projected Future Experience Before Nationwide Rate Increase				Projected Future Experience After Nationwide Rate Increase			
Year	Earned Premium	Incurred Claims	Loss Ratio	Year	Earned Premium	Incurred Claims	Loss Ratio
2017	3,930,525	4,841,604	123.2%	2017	3,930,525	4,841,604	123.2%
2018	3,814,416	5,456,798	143.1%	2018	5,052,372	5,572,274	110.3%
2019	3,658,370	6,108,456	167.0%	2019	10,015,560	6,759,080	67.5%
2020	3,470,881	6,784,741	195.5%	2020	10,073,543	7,501,042	74.5%
2021	3,272,748	7,471,117	228.3%	2021	9,504,128	8,170,448	86.0%
2022	3,065,198	8,134,993	265.4%	2022	8,905,469	8,799,769	98.8%
2023	2,854,293	8,763,939	307.0%	2023	8,296,105	9,377,463	113.0%
2024	2,649,142	9,377,531	354.0%	2024	7,704,843	9,928,384	128.9%
2025	2,446,416	9,963,607	407.3%	2025	7,120,229	10,435,777	146.6%
2026	2,246,537	10,505,939	467.7%	2026	6,543,156	10,887,917	166.4%
2027	2,050,941	10,948,635	533.8%	2027	5,977,828	11,234,920	187.9%
2028	1,860,894	11,246,802	604.4%	2028	5,427,939	11,438,985	210.7%
2029	1,677,655	11,427,604	681.2%	2029	4,897,165	11,526,911	235.4%
2030	1,502,457	11,497,845	765.3%	2030	4,389,197	11,501,959	262.1%
2031	1,335,012	11,496,223	861.1%	2031	3,902,699	11,405,997	292.3%
2032	1,175,787	11,365,379	966.6%	2032	3,439,070	11,189,137	325.4%
2033	1,027,192	11,093,924	1080.0%	2033	3,005,953	10,844,691	360.8%
2034	892,912	10,698,780	1198.2%	2034	2,615,183	10,393,881	397.4%
2035	770,685	10,188,999	1322.1%	2035	2,259,328	9,843,382	435.7%
2036	660,003	9,580,585	1451.6%	2036	1,936,764	9,208,969	475.5%
2037	560,723	8,912,146	1589.4%	2037	1,647,127	8,526,563	517.7%
2038	472,570	8,198,611	1734.9%	2038	1,389,670	7,810,252	562.0%
2039	395,058	7,466,517	1890.0%	2039	1,163,030	7,084,314	609.1%
2040	327,598	6,713,810	2049.4%	2040	965,547	6,347,164	657.4%
2041	269,008	5,972,943	2220.4%	2041	793,592	5,626,974	709.1%
2042	218,761	5,247,799	2398.9%	2042	645,864	4,928,118	763.0%
2043	176,389	4,556,132	2583.0%	2043	521,140	4,266,311	818.6%
2044	141,536	3,918,918	2768.8%	2044	418,595	3,660,522	874.5%
2045	112,796	3,332,371	2954.3%	2045	333,950	3,105,722	930.0%
2046+	335,151	12,768,667	3809.8%	2046+	993,515	11,805,226	1188.2%

**Present Values at 5%**  
Before Nationwide Rate Increase

Nationwide	Earned Premium	Incurred Claims	Loss Ratio
Historical	95,914,708	46,009,431	48.0%
Projected Future	33,003,441	132,929,568	402.8%
Lifetime Anticipated	128,918,149	178,938,999	138.8%

**Present Values at 5%**  
After Nationwide Rate Increase

Nationwide	Earned Premium	Incurred Claims	Loss Ratio
Historical	95,914,708	46,009,431	48.0%
Projected Future	82,589,530	135,202,007	163.7%
Lifetime Anticipated	178,504,239	181,211,439	101.5%

**Exhibit 3d**  
**Continental General Insurance Company**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding PAR and ROP Riders**  
**Policies with and without Active Inflation Guard Rider**  
**Pennsylvania Experience Before and After Pennsylvania Justified Rate Increase**  
**As of 12/31/2016**

Historical Experience			
Year	Earned Premium	Incurred Claims	Loss Ratio
1997	0	0	0.0%
1998	446	0	0.0%
1999	50,752	0	0.0%
2000	103,141	0	0.0%
2001	118,141	0	0.0%
2002	142,146	0	0.0%
2003	168,802	1,564	0.9%
2004	187,144	0	0.0%
2005	193,992	46,155	23.8%
2006	189,820	0	0.0%
2007	185,111	49,890	27.0%
2008	170,824	4,711	2.8%
2009	162,313	0	0.0%
2010	148,914	0	0.0%
2011	153,609	0	0.0%
2012	163,987	0	0.0%
2013	172,973	90,064	52.1%
2014	167,759	711,614	424.2%
2015	196,232	11,826	6.0%
2016	191,348	35,916	18.8%

Projected Future Experience Before Pennsylvania Justified Rate Increase				Projected Future Experience After Pennsylvania Justified Rate Increase			
Year	Earned Premium	Incurred Claims	Loss Ratio	Year	Earned Premium	Incurred Claims	Loss Ratio
2017	189,394	159,092	84.0%	2017	189,394	159,092	84.0%
2018	179,776	171,398	95.3%	2018	237,429	178,396	75.1%
2019	169,821	185,575	109.3%	2019	462,296	225,091	48.7%
2020	159,811	200,673	125.6%	2020	463,656	245,431	52.9%
2021	149,907	215,970	144.1%	2021	437,566	261,346	59.7%
2022	140,183	233,576	166.6%	2022	411,574	278,598	67.7%
2023	130,752	252,745	193.3%	2023	385,971	296,491	76.8%
2024	121,682	274,202	225.3%	2024	360,977	315,871	87.5%
2025	112,999	297,386	263.2%	2025	336,717	336,307	99.9%
2026	104,726	322,989	308.4%	2026	313,307	358,680	114.5%
2027	96,831	354,965	366.6%	2027	290,706	386,702	133.0%
2028	89,286	386,514	432.9%	2028	268,879	413,929	153.9%
2029	82,070	414,547	505.1%	2029	247,805	437,500	176.6%
2030	75,171	433,719	577.0%	2030	227,504	452,303	198.8%
2031	68,577	451,287	658.1%	2031	207,975	465,423	223.8%
2032	62,280	471,243	756.6%	2032	189,229	480,649	254.0%
2033	56,278	483,532	859.2%	2033	171,281	488,628	285.3%
2034	50,588	484,939	958.6%	2034	154,207	486,453	315.5%
2035	45,221	478,986	1059.2%	2035	138,063	477,321	345.7%
2036	40,196	471,954	1174.1%	2036	122,914	467,233	380.1%
2037	35,520	465,505	1310.5%	2037	108,790	457,750	420.8%
2038	31,202	445,262	1427.0%	2038	95,726	435,807	455.3%
2039	27,255	420,641	1543.3%	2039	83,769	409,966	489.4%
2040	23,682	396,856	1675.8%	2040	72,925	385,015	528.0%
2041	20,474	377,569	1844.1%	2041	63,174	364,390	576.8%
2042	17,619	356,377	2022.6%	2042	54,480	342,296	628.3%
2043	15,103	327,273	2167.0%	2043	46,800	313,291	669.4%
2044	12,906	300,135	2325.6%	2044	40,080	286,346	714.4%
2045	10,998	276,706	2516.0%	2045	34,231	263,056	768.5%
2046+	46,416	1,962,246	4227.6%	2046+	145,574	1,825,948	1254.3%

**Present Values at 5%**  
Before Pennsylvania Justified Rate Increase

Pennsylvania	Earned Premium	Incurred Claims	Loss Ratio
Historical	4,416,869	1,130,642	25.6%
Projected Future	1,593,844	5,412,547	339.9%
Lifetime Anticipated	6,010,713	6,543,188	108.9%

**Present Values at 5%**  
After Pennsylvania Justified Rate Increase

Pennsylvania	Earned Premium	Incurred Claims	Loss Ratio
Historical	4,416,869	1,130,642	25.6%
Projected Future	4,065,394	5,675,402	139.6%
Lifetime Anticipated	8,482,263	6,806,044	80.2%

**Exhibit 3e**  
**Continental General Insurance Company**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding PAR and ROP Riders**  
**Policies without Active Inflation Guard Rider**  
**Pennsylvania Experience Before and After Pennsylvania Justified Rate Increase**  
**As of 12/31/2016**

Historical Experience			
Year	Earned Premium	Incurred Claims	Loss Ratio
1997	0	0	0.0%
1998	300	0	0.0%
1999	17,633	0	0.0%
2000	28,426	0	0.0%
2001	30,817	0	0.0%
2002	34,334	0	0.0%
2003	44,735	1,564	3.5%
2004	44,608	0	0.0%
2005	38,580	46,155	119.6%
2006	34,442	0	0.0%
2007	31,378	0	0.0%
2008	22,248	0	0.0%
2009	21,803	0	0.0%
2010	20,347	0	0.0%
2011	23,650	0	0.0%
2012	25,635	0	0.0%
2013	26,995	0	0.0%
2014	25,263	0	0.0%
2015	39,028	2,352	6.0%
2016	30,961	5,811	18.8%

Projected Future Experience Before Pennsylvania Justified Rate Increase				Projected Future Experience After Pennsylvania Justified Rate Increase			
Year	Earned Premium	Incurred Claims	Loss Ratio	Year	Earned Premium	Incurred Claims	Loss Ratio
2017	30,643	38,228	124.8%	2017	30,643	38,228	124.8%
2018	27,133	35,469	130.7%	2018	30,508	35,779	117.3%
2019	23,644	32,925	139.2%	2019	39,287	34,538	87.9%
2020	20,365	29,399	144.4%	2020	35,099	31,021	88.4%
2021	17,379	25,554	147.0%	2021	29,952	26,976	90.1%
2022	14,716	22,241	151.1%	2022	25,364	23,475	92.6%
2023	12,413	19,571	157.7%	2023	21,393	20,630	96.4%
2024	10,458	17,525	167.6%	2024	18,025	18,428	102.2%
2025	8,813	15,930	180.8%	2025	15,190	16,690	109.9%
2026	7,448	14,767	198.3%	2026	12,837	15,399	120.0%
2027	6,318	14,055	222.4%	2027	10,890	14,569	133.8%
2028	5,387	13,725	254.8%	2028	9,284	14,129	152.2%
2029	4,619	13,892	300.8%	2029	7,961	14,176	178.1%
2030	3,978	13,835	347.8%	2030	6,856	14,026	204.6%
2031	3,437	13,791	401.2%	2031	5,924	13,901	234.6%
2032	2,975	13,053	438.7%	2032	5,128	13,133	256.1%
2033	2,575	12,400	481.5%	2033	4,439	12,447	280.4%
2034	2,224	11,491	516.7%	2034	3,833	11,526	300.7%
2035	1,910	10,587	554.2%	2035	3,292	10,607	322.2%
2036	1,628	9,569	587.8%	2036	2,805	9,582	341.6%
2037	1,373	8,363	609.1%	2037	2,366	8,375	353.9%
2038	1,144	7,192	628.5%	2038	1,972	7,201	365.1%
2039	940	6,027	641.2%	2039	1,620	6,036	372.5%
2040	760	4,939	649.6%	2040	1,310	4,948	377.6%
2041	605	3,958	654.4%	2041	1,042	3,967	380.6%
2042	472	3,092	654.9%	2042	814	3,101	381.1%
2043	362	2,361	652.9%	2043	623	2,369	380.0%
2044	271	1,753	646.5%	2044	467	1,759	376.4%
2045	199	1,263	636.2%	2045	342	1,268	370.5%
2046+	375	2,172	579.9%	2046+	646	2,181	337.8%

**Present Values at 5%**  
Before Pennsylvania Justified Rate Increase

Pennsylvania	Earned Premium	Incurred Claims	Loss Ratio
Historical	874,747	92,398	10.6%
Projected Future	165,335	283,453	171.4%
Lifetime Anticipated	1,040,082	375,851	36.1%

**Present Values at 5%**  
After Pennsylvania Justified Rate Increase

Pennsylvania	Earned Premium	Incurred Claims	Loss Ratio
Historical	874,747	92,398	10.6%
Projected Future	246,914	291,878	118.2%
Lifetime Anticipated	1,121,662	384,275	34.3%

**Exhibit 3f**  
**Continental General Insurance Company**  
**Policy Forms: 440 Series et al.**  
**Base Policy and Riders excluding PAR and ROP Riders**  
**Policies with Active Inflation Guard Rider**  
**Pennsylvania Experience Before and After Pennsylvania Justified Rate Increase**  
**As of 12/31/2016**

Historical Experience			
Year	Earned Premium	Incurred Claims	Loss Ratio
1997	0	0	0.0%
1998	146	0	0.0%
1999	33,119	0	0.0%
2000	74,715	0	0.0%
2001	87,324	0	0.0%
2002	107,812	0	0.0%
2003	124,066	0	0.0%
2004	142,536	0	0.0%
2005	155,412	0	0.0%
2006	155,377	0	0.0%
2007	153,733	49,890	32.5%
2008	148,577	4,711	3.2%
2009	140,510	0	0.0%
2010	128,566	0	0.0%
2011	129,959	0	0.0%
2012	138,352	0	0.0%
2013	145,977	90,064	61.7%
2014	142,496	711,614	499.4%
2015	157,204	9,474	6.0%
2016	160,387	30,105	18.8%

Projected Future Experience Before Pennsylvania Justified Rate Increase				Projected Future Experience After Pennsylvania Justified Rate Increase			
Year	Earned Premium	Incurred Claims	Loss Ratio	Year	Earned Premium	Incurred Claims	Loss Ratio
2017	158,751	120,864	76.1%	2017	158,751	120,864	76.1%
2018	152,642	135,928	89.1%	2018	206,922	142,617	68.9%
2019	146,177	152,650	104.4%	2019	423,008	190,552	45.0%
2020	139,446	171,274	122.8%	2020	428,557	214,410	50.0%
2021	132,528	190,416	143.7%	2021	407,614	234,370	57.5%
2022	125,467	211,335	168.4%	2022	386,211	255,124	66.1%
2023	118,339	233,174	197.0%	2023	364,578	275,861	75.7%
2024	111,224	256,677	230.8%	2024	342,952	297,443	86.7%
2025	104,185	281,456	270.1%	2025	321,528	319,617	99.4%
2026	97,277	308,222	316.8%	2026	300,469	343,281	114.2%
2027	90,513	340,910	376.6%	2027	279,816	372,132	133.0%
2028	83,900	372,789	444.3%	2028	259,594	399,800	154.0%
2029	77,451	400,655	517.3%	2029	239,844	423,324	176.5%
2030	71,193	419,884	589.8%	2030	220,649	438,278	198.6%
2031	65,139	437,496	671.6%	2031	202,051	451,522	223.5%
2032	59,305	458,190	772.6%	2032	184,101	467,516	253.9%
2033	53,703	471,132	877.3%	2033	166,843	476,180	285.4%
2034	48,364	473,447	978.9%	2034	150,375	474,927	315.8%
2035	43,311	468,400	1081.5%	2035	134,770	466,714	346.3%
2036	38,569	462,386	1198.9%	2036	120,108	457,651	381.0%
2037	34,147	457,143	1338.7%	2037	106,424	449,376	422.3%
2038	30,057	438,069	1457.4%	2038	93,754	428,606	457.2%
2039	26,315	414,614	1575.6%	2039	82,149	403,930	491.7%
2040	22,921	391,917	1709.8%	2040	71,615	380,067	530.7%
2041	19,869	373,611	1880.3%	2041	62,132	360,422	580.1%
2042	17,147	353,285	2060.3%	2042	53,666	339,194	632.0%
2043	14,741	324,912	2204.1%	2043	46,176	310,922	673.3%
2044	12,635	298,382	2361.6%	2044	39,613	284,587	718.4%
2045	10,799	275,443	2550.5%	2045	33,888	261,788	772.5%
2046+	46,041	1,960,074	4257.2%	2046+	144,928	1,823,767	1258.4%

**Present Values at 5%**  
Before Pennsylvania Justified Rate Increase

Pennsylvania	Earned Premium	Incurred Claims	Loss Ratio
Historical	3,542,121	1,038,244	29.3%
Projected Future	1,428,509	5,129,093	359.1%
Lifetime Anticipated	4,970,631	6,167,338	124.1%

**Present Values at 5%**  
After Pennsylvania Justified Rate Increase

Pennsylvania	Earned Premium	Incurred Claims	Loss Ratio
Historical	3,542,121	1,038,244	29.3%
Projected Future	3,818,480	5,383,524	141.0%
Lifetime Anticipated	7,360,601	6,421,768	87.2%



P.O. Box 203098  
Austin, TX 78720-3098  
Toll Free: (866) 830-0607  
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January 23, 2018

Pennsylvania Insurance Department  
Commonwealth of Pennsylvania  
1326 Strawberry Square, 13th Floor  
Harrisburg, Pennsylvania 17120

**RE: Continental General Insurance Company  
Rate Revision Filing on Individual Long-Term Care Insurance  
Policy Forms: 440 et al.**

Dear Sir or Madam:

Enclosed for your review, please find copies of an Actuarial Memorandum and rate sheets in support of the current proposed increases on the above-referenced Individual Long-Term Care Insurance products. Detailed information regarding the calculation of the current proposed rate increases is given within the enclosed Actuarial Memorandum.

The base rate increase applies to the base policy and all applicable benefit riders for which a premium is paid. In addition to a base rate increase, an increase is being requested on the Inflation Guard Rider percentage load. The rate increases will be effective on the first premium due date subsequent to state insurance department approval and in accordance with state policyholder notification requirements, with the additional condition that no policyholder will receive a rate increase sooner than one year after receiving a prior rate increase, if applicable.

This filing applies to inforce policies issued in this State prior to September 16, 2002. The above-referenced policy forms are Individual Long-Term Care Insurance products, which are no longer being sold.

Enclosed are any necessary certifications, transmittals and/or filing fees as may be required by your state. I hope that with this information, your approval of this filing will be forthcoming. If you have any questions or need additional information, please feel free to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Keeler', is written over a horizontal line.

Deborah A. Keeler, ASA, MAAA  
Senior Associate Actuary  
Continental General Insurance Company  
11001 Lakeline Blvd, Suite 120  
Austin, Texas 78717

*Long-term care administrator for:*  
Great American Life Insurance Company®  
Loyal American Life Insurance Company®